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Private Giving to Public Schools and Districts in Los Angeles County: A Pilot Study

Ron Zimmer, Cathy Krop, Tessa Kaganoff, Karen Ross, and Dominic Brewer

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PREFACE

This report presents results from RAND's pilot study of how Los Angeles area public schools and districts raise private resources. The study was commissioned by the Haynes Foundation which supports research in the greater Los Angeles region on social science issues with policy implications.

This study addresses three major questions related to schools and districts raising support: 1) Who are the private givers to public education?; 2) How do schools and districts attract private support? Through school-based organizations? Through school and district personnel? What mechanisms do schools and districts use to attract private resources? And 3) What types of support are provided? What are the contributions used for? The results are based on interviews with superintendents and district staff, school principals, and local education foundation (LEF) representatives that were conducted during the fall and winter of 2000.

The report serves multiple audiences. First, the findings will help district, school, and LEF personnel to plan for and assess the role of private support in their schools and districts. Second, businesses and foundations can use our research to make decisions regarding how best to support public education. And third, policymakers can develop better strategies for supporting schools' efforts in this area.

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SUMMARY

The Nation's public schools have been under attack for much of the last three decades. The familiar criticism is that their performance, as measured by student standardized test scores, has been stagnant or falling. At the same time, schools have failed to close the gap in achievement between the lowest and highest performing students. These trends have occurred despite increased resources for public schools, as well as attempts to allocate resources more equitably.

Dependence on state support has created a number of concerns for schools and districts. School finance reforms have led to more education decision-making at the state level at a time when governance reforms call for more local control. State decision-making imposes a number of constraints on local decision-making. Schools become dependent on the state economy and must compete with other demands on state resources. In addition, state education funding over time has shifted toward a greater reliance on categorical (i.e. restricted) funds and a lesser reliance on general purpose (i.e. flexible) funds.

Taken together, school finance and education governance reforms have made raising private support an important activity of many public schools and districts. While public schools and districts have always attracted private support, anecdotal reports and a limited body of documented research suggest an increased sophistication and aggressiveness with which they are pursuing private support.

This pilot study is designed to provide schools and districts with information on the types of public-private partnerships that have been developed in a number of communities and the mechanisms used to attract private resources. In addition, we are interested in documenting the types of monetary and in-kind resources that are most likely to be available to schools and districts with differing economic resources in their communities. Current reports and research on private support provide a limited account of private support of public education and no systematic framework for thinking about such support.

Specifically, this research focuses on three broad questions:

1. *Who are the private givers to public education?*

2. *How do schools and districts attract private support? Through school-based organizations? Through school and district personnel? What mechanisms do schools and districts use to attract private resources?*

3. *What types of support are provided? What are the contributions used for?*

To address questions of *who, how* and *what*, we collected data through interviews and questionnaires from ten elementary schools in six districts in Los Angeles County. Within Los Angeles County, we picked a sample of schools and districts operating under different governance structures, in different socioeconomic communities, and in different sized districts. Los Angeles County provides a rich field of diverse districts and schools.

The information in this report may be useful to districts and schools to help them plan for and assess the role of private support in public schools. In addition, businesses and foundations can use our research to make decisions regarding how best to support public education. The report represents our effort to better understand private support, both in-kind and monetary, in public education. We try to identify successful strategies for maximizing support and for overcoming obstacles.

The Who, How, and What of Private Giving

To systematically examine private giving at our sample schools and districts, we developed a "matrix" of private giving. This matrix presents a useful framework for examining the different dimensions of private giving, including: private givers; school or district-based entities channeling private resources; mechanisms to attract private resources; types of private giving; and use of private monetary giving. Specifically, both monetary and in-kind resources flow from private givers through various entities; these entities attract donations through a variety of mechanisms; finally, private giving may take a variety of forms and be used for diverse purposes. Within each

dimension of private giving we developed a comprehensive list of different "examples," e.g., for private givers, the list of "examples" includes parents and local businesses, just to name a few. These "examples" came from an extensive literature review, the site visits themselves, and from other interviews. We then went through the data for each district and school in our sample to determine whether we saw evidence of each example at the particular site.

Private Givers

While parental involvement was the most common form of "giving" at the school level, other contributors also played a significant role in providing support to the schools. A majority of schools relied on parents, local businesses, corporations and community-based organizations for support. Although not as prevalent across schools, students, philanthropic foundations, community members, professional associations and city governments are givers (and often donate significant size gifts), in one-quarter to one-half of the sample schools. In contrast, colleges and universities did not play an active role in our sample schools.

Our sample districts attracted support from many of the same private givers as the sample schools, although the size of those contributions differed. Overall, school districts tended to attract resources from larger and more formalized groups, such as corporations, local businesses, and colleges and universities, as opposed to individuals and smaller groups and associations which were typical at the school level.

School or District-Based Entity Channeling Private Resources

At all of the sample schools, the principal was involved to some degree in attracting private resources to the school. In general, it was the principal who took the lead in developing relationships and continuing communication efforts with the community and other private sponsors. In addition, the principal was often the sole school connection with the business and community sponsors. The majority of schools also enlisted Parent-Teacher Associations (PTAs) and Local

Education Foundations (LEFs) to attract private support. While seven of the schools cited the existence of a district LEF, only one school saw the LEF as a significant player in attracting private support.

Each of the districts had some level of district staff responsible for private giving. The district interviewees generally stated that the district staff played a variety of roles in helping schools attract private support—e.g. organizing special events, establishing school-business partnerships, or providing grant writing assistance. However, the schools were generally not well-informed about district activities.

Mechanisms to Attract Private Resources

Schools relied most heavily on personal contacts and relationship building, product sales, and special events to attract private in-kind and monetary resources. In fact, almost every principal emphasized the importance of personal contacts and relationship building in attracting private resources. A smaller number of the schools we visited relied on mail solicitations, grant applications, and school-business partnerships. But, in those schools they were key components of their strategy to attract private resources.

Superintendents and district-level staff also relied heavily on personal contacts and relationship building to attract private resources. The next most prevalent strategies at the district level were grant applications and development of school-business partnerships.

Although the districts actively raised support, the principals that we visited consistently reported that the schools themselves raise a greater share of their private resources than they receive from the districts.

Types of Private Giving

We divided private giving into three types: volunteer time, material donations, and monetary contributions.

At the school level, no volunteer activity appeared to dominate across the schools; different schools received different kinds of volunteer support. Volunteers gave their time to such activities as

tutoring programs, after-school enrichment programs, mentoring programs, and classroom support.

The majority of schools received material donations of instructional materials, technology, supplies/equipment, and awards/gift certificates. In addition, the vast majority of schools received some level of monetary donations from a variety of private givers. Our interview respondents suggested that corporate and business donors generally began by providing in-kind support. Through the development of the relationship, some givers would eventually provide monetary support as well.

Monetary donations were almost always targeted for a specific purpose or program. Generally, schools first developed priorities, plans or goals and then approached private givers with specific proposals. Private monetary support, therefore, was not totally flexible in that it was given to support a specific program/goal. Relatively small amounts of money received through a variety of "percentage of sales" programs were truly flexible in their use.

School principals had a difficult time quantifying the levels of both in-kind and monetary support, but particularly in-kind support. With that said, principals uniformly agreed that in-kind support well outweighs monetary support in quantity. In addition, they generally put greater value on the in-kind support (particularly volunteer support), than monetary support.

The sample districts generally attracted less volunteer time and material donations than the schools and concentrated more heavily on monetary donations. About one-half of the districts did, however, receive volunteer support for family services that were provided at the school level. Districts generally focused on pursuing monetary donations from larger givers than the schools in order to support larger-scale, district-wide programs. Neither districts nor schools obtained paid endorsements or advertising revenue, and the majority of them explicitly stated that they oppose such revenue.

Use of Private Monetary Giving

Private monetary giving supports a wide range of activities that tend to fall into three main categories: current operations, technology, and capital improvements.

Schools used private monetary support most often on curricular enrichment programs, such as field trips and after school programs. The majority of schools also used private dollars for school supplies/equipment and other staff salaries. Private monetary support was generally short-term in focus and this affected how schools decided to use the support.

Districts most often used privately donated money to support curricular enrichment programs, purchase instructional material, and to support professional development. A majority of districts also used private monetary support to purchase computers/technology. When deciding how to allocate funds or resources to schools, district staff generally stated that they distribute the money where there is the greatest need.

Differences by Schools and Districts Across Socioeconomic Status

We observed some differences in the nature of private giving in schools and school districts of varying levels of socioeconomic status. The schools located in the highest socioeconomic communities had very strong parental support in absolute terms and relative to the other schools in the sample. Despite the greater level of parental support at schools in wealthier communities, some schools in poorer communities were also successful in raising private support, although they needed to approach a relatively wide array of private donors. To some degree, the list of private givers to schools was also longer at the lower socioeconomic schools because they had options for private giving that were not available in more affluent communities.

Personal contacts and relationship building appears particularly important in the middle and lower socioeconomic communities as a mechanism to attract private support. These schools could not as readily rely on parental monetary and in-kind support as the schools in the wealthier communities. Instead, in order to attract private

support, they were dependent on a dynamic principal who was interested in making connections in the community to attract and maintain private support.

The wealthier schools had a strong focus on direct monetary donations, particularly from parents. At the same time, even the wealthiest schools in our sample stated that private monetary contributions accounted for less than five percent of their total budgets. Higher wealth schools also received sizable in-kind contributions from parents volunteering their time at the schools. Schools located in the middle and lower socioeconomic communities appeared to have at least as much in-kind private support as the wealthier communities, but the support came from different private givers. It is difficult to get a sense of the relative size of the in-kind contributions as volunteer time is hard to measure. But the variety of private givers who gave their time to the schools was greater in the middle and lower socioeconomic communities.

The relatively large size of monetary donations to the two schools located in the wealthiest communities was apparent in the number and type of items they bought with the monetary donations. In addition, while LEFs were found across the different wealth districts in our sample, the two highest income districts had particularly active LEFs.

Similar to the school level, the higher income districts relied most heavily on monetary donations, while the lower- and middle-income districts received a relatively large number of in-kind donations. The wealthier the district, the more programs, services, and materials purchased by the district with private monetary contributions.

Lessons Learned

Out of our analyses, we are able to offer broad strategies for raising private support as well as strategies for meeting specific challenges of raising private support for public education.

Strategies for Raising Private Support

1. *Maintain constant communication*: One of the most universal comments we heard related to the importance of constant communication with the community.

2. *Make it a reciprocal relationship*: Both school and district officials noted the importance of creating a reciprocal relationship with business partners so that both parties feel they are benefiting from the relationship.

3. *Get their foot in the door*: Several principals noted that another effective strategy was to find easy ways for community members to support a school in a modest way to get them introduced to the school. Once volunteers saw what was happening at the school and got to know the students, they often came back with more support.

4. *Make it appealing for people, business, and other organizations to get involved*: Districts and schools reported needing to be flexible and creative in their approaches to making involvement appealing to prospective donors. In addition, several people stated that successful schools make everyone feel welcome at the school.

5. *Provide training for volunteers*: Another effective strategy used by some schools was to provide orientation and/or training to community members who were interested in volunteering in the school.

6. *Know your resource base*: Schools and districts discussed the different dimensions of their communities that affected how they approached raising private support. They suggested that knowing their resource base involved understanding their community and what it had to offer.

7. *Private support can garner further private support*: Staff from several districts and schools noted that securing private support often helped them gain further private support.

Strategies for Meeting the Challenges of Raising Private Support

1. *Time*: At all of the sample schools, most of the responsibility for raising private support rested with the principals. One school addressed this problem by pursuing a grant to pay the salary of a Community Liaison to assist the principal.

2. *Turnover/mobility:* One of the challenges districts and schools consistently faced was turnover of key district or school staff and the turnover of key contacts at businesses. One way to address this issue was to get more than just one person involved both at the school/district level and at the business level. In addition, one district formalized its relationships with businesses through contracts.

3. *Mentality of short-term support:* In almost every case, the district and school staff noted that donations and in-kind gifts were seen by the donor as short-term and not part of an ongoing program. Once again, developing a "contract" with donors could create a longer-term perspective.

4. *Knowledge on how to attract private support:* Several principals reported a lack of knowledge about how to raise private support and did not know how to gain that knowledge. Several districts addressed this problem by making the district staff available to schools within the district.

5. *District/School communication:* Schools seemed to have limited knowledge of services or programs available from the district related to raising private support. The communication problem was successfully addressed by one district that hosts monthly meetings with all of the school principals, PTA presidents, and the LEF director in the district.

6. *Donor fatigue:* District staff and principals lamented that there can be a lot of competition among schools and fundraising organizations resulting in the same businesses in a given community being asked for help by multiple sources. The monthly meetings mentioned previously not only facilitated internal communication, but also helped ensure that multiple parties were not approaching the same donors.

7. *Fear of commercialization:* Many district and school staff members noted that they were concerned about the possibility of inappropriate involvement of businesses within the schools. For this reason, most districts and schools avoided exclusivity contracts.

Policy Implications

In this current research, we identify the patterns of giving to public schools, along with the variations of strategies of raising

private support. Unfortunately, we did not observe specific policies in place to encourage private support. However, based on the knowledge we accumulated through the analysis, we would suggest some broad areas in which policies could be developed. First, state, county, and district officials may want to create opportunities for district and school representatives to come together and share information of what has and has not been successful strategies of raising private support. Second, the state could provide funds to create training conferences for district and school officials. These conferences could bring in consultants and other experts to provide specific tools and skills for raising private support. Third, policies that create incentives for districts or schools to garner greater private support could be created. This could include matching funds for schools that raise private support. Fourth, and finally, investments into structural resources, such as phones in every classroom, could be made to increase communication. Obviously, this is a shortlist of possible policy recommendations. Other policies could be developed through further thought and considerations from key players such as policymakers, educators, and researchers.

ACKNOWLEDGMENTS

I. INTRODUCTION

The nation's public schools have been under attack for much of the last three decades. The familiar criticism is that their performance, as measured by student standardized test scores, has been stagnant or falling. At the same time, schools have failed to close the gap in achievement between the lowest- and highest-performing students. These trends have occurred despite the increase in resources given to public schools and attempts to allocate these resources more equitably. Real per-pupil expenditures increased from $1,973 to $6,146 between 1960 and 1996.[1] In addition, since the 1970s, more than 34 states have faced legal challenges to their school funding systems to achieve greater equity of education dollars (Dayton, 2000). Policymakers have responded to these legal challenges by moving away from the traditional dependence of school funding on local property taxes toward greater dependence on state support.[2]

This has created a new set of concerns for schools and districts. School finance reforms have led to more education decision-making at the state level at a time when governance reforms call for more local control. One major wave of education reform over the past decade has sought to improve the quality of education by allowing those closest to the students to make educational decisions based on local conditions. Decision-making at the state level imposes a number of constraints at the local level. School funding is tied to the state's economy and must compete with other demands on state resources. Difficult economic times, of varying intensity in different states, have meant periods of lower state revenues and tighter state budgets for education. In addition, state education funding over time has shifted toward a greater reliance on categorical (i.e., restricted) funds and a lesser reliance

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[1] Digest of Education Statistics 1998.

[2] Most of the efforts at equalizing funding have focused on equalizing across districts in a state. Some more recent efforts have focused on equalizing funding across schools in a district. For example, the Rodriguez consent degree operating in Los Angeles Unified School District seeks to equalize educational opportunity across schools within the district.

on general purpose (i.e., flexible) funds. This means that school spending decisions are increasingly determined by the state.

The movement towards equalized funding across schools through state funding has lead to greater resources for some schools. However, state funding has constrained other schools below their preferred level of spending. Some have suggested that this has forced schools to look for alternative sources of funding. One way is through private contributions (Brunner and Sonstelie, 1999; Addanizo, 2000). While public schools and districts have always attracted private support, anecdotal reports and a limited body of documented research suggest an increased sophistication and aggressiveness with which they are pursuing private support. Public schools and districts have increasingly looked to private support to maintain the quality of schooling in periods of tight public revenue climates as well as a way to increase flexibility at the local level and to allow families to match their preferences for education.[3] If certain schools and districts are more successful than others in raising private support, then existing inequities may be exacerbated.

Understanding private support of public education is an important policy issue beyond equity issues. It is likely that all school communities have both monetary and in-kind resources that can be leveraged in support of education; we may simply not have yet identified them, nor figured out how to measure them. There are presumably practices to enlist private support that can or do transcend affluence, community culture and history. At the same time, there are likely types of private support that are more or less accessible in different types of communities. Identifying the monetary and in-kind resources available as well as the mechanisms to raise private support can be valuable information to education practitioners.

To explore some of these issues, we conducted a study of private support to public education in Los Angeles County. This study is considered a pilot study because it is small in scale and will, in part, develop the tools and initial findings needed to guide further analyses.

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[3] See Chapter II for further discussion of these issues and related literature.

Specifically, the pilot study is designed to provide schools and districts with information on the types of public-private partnerships that have been developed in communities and the mechanisms used to attract private resources. In addition, we are interested in documenting the types of monetary and in-kind resources that are most likely to be available to schools and districts with differing economic resources.

In order to explore these issues we asked a number of questions. For instance, who are the private givers to public education? Is it exclusively parents and large corporations, or are there other organizations that are important supporters? We try to document the range of organizations and individuals from which private support originates. In addition, what role do school and district organizations and individuals--such as Parent-Teacher Associations (PTAs), Local Education Foundations (LEFs), and school and district staffs--play in attracting private support? What is the range of mechanisms organizations and individuals use to attract private support? Do schools rely primarily on product sales or are special events and partnerships key to attracting this support? Finally, what is the ultimate use of both monetary and in-kind gifts? Do private contributions support salaries, school supplies, the enhancement of school facilities, or special programs? Together all of these issues can be summarized into three broad questions:

1. *Who are the private givers to public education?*

2. *How do schools and districts attract private support? Through school-based organizations? Through school and district personnel? What mechanisms do schools and districts use to attract private resources?*

3. *What types of support are provided? What are the contributions used for?*

Current media reports and research studies provide a limited
account of private support of public education and no systematic
framework for thinking about such support.[4] Media accounts generally
provide anecdotal evidence of private support and document success
stories. In addition, a large portion of the recent research literature
focuses on private monetary support of public education from LEFs and
any inequities they may create. While LEFs are clearly an important
component of private support, they represent only one type of private
support available to public education.

In addition, national and state databases generally do not detail
the types and amounts of private giving. When the data sets do account
for private monetary donations, these are typically lumped together into
a category called "other revenues." Further, while Internal Revenue
Service data do include some financial information on nonprofit
organizations operating with public schools, such as LEFs or PTAs, these
data include only organizations raising relatively high levels of
private monetary support.

To address questions of *who, how,* and *what,* we collected data
through interviews and questionnaires from ten elementary schools in six
districts in Los Angeles County. We focused initially on elementary
schools, since research suggests that organizations associated with
these schools tend to raise the most revenue per pupil and because
volunteer involvement is greatest at the elementary level (Merz and
Frankel, 1995). Within Los Angeles County, we picked a sample of
schools and districts operating under different governance structures,
in different socioeconomic communities, and in different sized
districts. Los Angeles County provides a rich field of diverse
districts and schools. Also, it is an urban area with many of the
problems typically found in failing school districts.

Our results suggest a variety of school and district-based
organizations using different mechanisms to channel monetary and in-kind
support to public education from a wide range of private givers. In
general, there are differences in private giving at the school and

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[4] See Chapter II for a review of this literature.

district level, with schools focusing more on parental support and districts focusing more on formalized groups, including corporations. Among schools, those located in higher socioeconomic communities have a greater level of parental monetary and in-kind support. However, this does not necessarily translate into greater overall support. Often, low-income districts and schools, because of their perceived need, have greater access to support from corporations and community-based and philanthropic organizations. Therefore, we did not find strong evidence that private contributions necessarily lead to greater inequities. In all districts and schools, gaining private support means developing and maintaining relationships and engaging in reciprocal relationships with private sponsors, something that takes time and commitment. Currently, most of the responsibility for developing private support at the school level is borne by principals, particularly in lower income communities. Finally, districts and schools that pursue private support run into a number of obstacles, including finding available time to raise the support and turnover of district and school staff or turnover of partnering organizations. Districts and schools can institute a variety of measures to address these obstacles.

The information in this report may be useful to districts and schools to help them plan for and assess the role of private support in public schools. In addition, businesses and foundations can use our research to make decisions regarding how best to support public education. In particular, private corporations and foundations might be interested in learning how other, similar, organizations are supporting public education and which types of resources provide the most leverage to public schools. In this report, we try to identify successful strategies for maximizing support and for overcoming obstacles.

Organization of the Report

This report is divided into five chapters. Chapter II highlights what we currently know based on the existing literature about the *who*, *how*, and *what*. Chapter III discusses our methodology for addressing these questions. Chapter IV provides the results of our analysis. Finally, Chapter V draws conclusions and implications from our analysis.

II. WHAT WE CURRENTLY KNOW

Most of what we know about private support of public education comes from anecdotal reports found in the press, although the research literature has grown in recent years. During the last decade, newspapers around the country have documented volunteer efforts as well as stories of districts forming independent local education foundations. Most of the coverage reports the various activities taking place at a particular school or district and its successes.[5] The recent research literature has focused primarily on monetary support raised by local education foundations and other school-based organizations. In this chapter we highlight what we know from these sources. We first discuss some of the historical and recent trends that are creating the impetus for private support for public education. We then discuss theories concerning why people and organizations give. Next, we describe the literature in three areas that correspond to the questions we laid out in the introduction: (1) *who* are the givers; (2) *how* do they attract private support; and (3) *what* do they give and for what purpose. These categories are meant to represent the flow of giving from the donors to the ultimate use of the gifts, and serve as the basis for the analyses discussed in later chapters. Finally, we provide a brief discussion of limitations of the current research.

Historical trends

Private support of public schools is not new. Schools and districts have always relied on private monetary and in-kind support in addition to federal, state, and local tax revenues. Parent-teacher

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[5] See, for example, Nick Anderson (December 2, 1997). *Going Beyond the Bake Sale; More Parents are Starting up Private Foundations to Raise Funds for Teachers, Programs and Repairs at Their Schools.* Los Angeles Times (A1); Scott W. Helman (February 13, 2000). *Helping Hand for Schools, Town Foundations Provide Vital Funding.* The Boston Globe; Victoria Benning (August 26, 1999). *Parents Crucial Volunteers; Help is Key to Smooth Running Schools.* The Washington Post (J01); and Charles Mount (November 17, 1993). *Angry Taxpayers Aiding Schools on Own Terms with Foundations.* Chicago Tribune.

Associations, classroom volunteers, booster clubs, and school-business relationships, for example, have traditionally had a presence in public schools. Yet, recent media accounts and a handful of research studies suggest an increased sophistication and aggressiveness with which schools and districts are pursuing private support.

The impetus for greater levels of private support comes largely from the convergence of changes in states' school finance systems and changes in school governance models. Since the 1970s, more than 34 states have faced legal challenges to their school funding systems (Dayton, 2000). These challenges have been based on language in state constitutions regarding equitable educational opportunities for all students. To achieve greater equity of educational dollars in response to these challenges, school funding in many states has moved away from its traditional dependence on local property taxes toward greater dependence on state support. Currently, as shown in **Table 2.1**, states represent the largest portion of funding at 48.0 percent with local school districts providing 45.5 percent. Over this same period, many states have experienced taxpayer revolts of varying magnitude in the form of tax roll-back initiatives, tax-limitation measures and spending caps (Mullins and Joyce, 1995 and 1996). And, while support for education has shifted to the states, difficult economic times, of varying intensity in different states, have meant lower state revenues and tight state budgets for education.

Table 2.1
Dollar and Percentage Distribution of Funding for Public Schools
(All values in millions of 1997 dollars)

Year	Federal		State		Local	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
1920	$2	0.3%	$160	16.5%	$808	83.2%
1930	7	0.4	354	16.9	1,728	82.7
1940	40	1.8	684	30.3	1,536	68.0
1950	156	2.9	2,166	39.8	3,116	57.3
1960	652	4.4	5,768	39.1	8,327	56.5
1970	3,220	8.0	16,063	39.9	20,985	52.1
1980	6,504	9.8	45,349	46.8	42,029	43.4
1990	12,701	6.1	98,239	47.1	97,608	46.8
1997	20,081	6.5	146,434	48.0	138,537	45.5

Source: National Center for Educational Statistics, *Digest of Education Statistics*, Table 154, 1999.

California is a case in point. In 1971, the California State Supreme Court ruled that the reliance on local property taxes to finance public education was unconstitutional in the landmark case: *Serrano v. Priest*. Later in 1978, the residents of California passed Proposition 13, which limited the ability of local school districts to tax residents to raise revenue to support schools. The combined effects of court-imposed school finance equalization and the local property tax limitation measure have led to a centralized, state system of school finance in California. Critics have argued that together, these decisions have led California from being one of the highest to one of the lowest per-pupil spending states.[6] As a recession hit California in the early 1990s, the real effects of state controlled school finance began to be felt with per-pupil spending for schools dropping from fifth highest in the nation in the mid 1980s to 42nd in 1995.

With resources constrained, one major wave of education reform over the past decade has sought to improve the quality of education through changes in governance structures of educational systems. This movement, which includes site-based management and charter school reforms, decentralizes public education decision-making to more local levels of control. The governance reforms are based on the concept that education can be improved by allowing those closest to the students to make policy decisions based on local conditions.[7]

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[6] A number of research papers have linked equity reform to the decline in spending per pupil. Fischel (1989, 1992, 1993) argues that the elimination of local control over spending may lead to a reduction in popular support for education and translate into less total spending for education. Theobald and Picus (1991) argue that centralizing funding will force education to compete with other state expenditures for funds, and as a result, the growth rate of spending per pupil will decrease over time. Silva and Sonstelie (1993) offer a hypothesis linking reform to the decline in spending per pupil. Fernandez and Rogerson (1995) provide a related theory. Despite this growing body of research that suggests that centralized funding will slow the growth of educational expenditures and support for education, there are dissenters from this view. Hickord et. al. (1992) and Manwaring and Sheffrin (1995) argue that the growth rate for educational expenditures may increase as a result of the movement towards centralized funding. These researchers argue that spending on education could increase because of an enhanced prominence created by educational reform.

[7] During the 20th Century, structural changes in education provision occurred that weakened the relationship between public schools and their communities. During the Great Depression, budgets became tight and school

Taken together, finance and governance reforms have made raising private support an important activity of many public schools and districts. Finance reforms have led to more education decision-making at the state level at a time when governance reforms call for more local control. State decision-making imposes a number of constraints on local decision-making. Schools become dependent on a state's economy and must compete with other demands on state resources. In addition, state aid over time has shifted toward a greater reliance on categorical (i.e. restricted) funds and a lesser reliance on general purpose (i.e. flexible) funds.[8] Local communities have looked to private support to maintain the quality of schooling in periods of tight public-revenue climates[9] as well as a way to increase flexibility at the local level and to allow families to match their preferences for education.[10]

Why people give

Private support in public schools has been a steadfast tradition throughout the history of public schools. Like other forms of charitable giving, it raises the question of why do people donate both their time and their money. From a benefit-cost perspective, it is sometimes difficult to understand the incentives of givers of private

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districts and states began to look for ways to cut costs. One mechanism to cut costs was through consolidation of public school districts (Pugh, 1994). For example, between 1940 and 1950, the number of school districts went from 117,108 to 83,718. This trend has continued, though at a slower pace, throughout the last half of the 20th Century, with the number of school districts nationwide dropping to just under 15,000 in 1997.

[8] Evidence of this in California is found in Legislative Analyst's Office (2/17/00). Analysis of the Budget Bill; Historical Perspective of Education Funding. LAO; Sacramento, CA.

[9] According to a recent study, diminishing tax receipts were the major reason that a majority of non-profit local education foundations were formed in California, Massachusetts, Oregon, Illinois, and Washington. (Merz and Frankel, 1995).

[10] In response to the Serrano decisions, the California legislators assigned a spending cap across school districts that helps equalize funding. Due to this spending limit, Fischel (1992) suggests that individual families are not able to achieve individual preferences. Traditionally, a family could match its preference for educational expenditures by locating in a district with a higher spending level for education. However, with the spending caps, a family that has a strong preference for educational expenditures cannot achieve its preference for education.

support, especially monetary support.[11] Since this question goes beyond
giving to public schools, it has led economists and other researchers to
explore the idea of why people and organizations engage in altruistic
behavior.

Two prevailing economic theories as to why individuals give are a
public-goods model and a private-consumption model (Duncan, 1999). The
public-good model suggests that individuals give in order to increase
the provision of a public good.[12] However, this explanation begs a
second question. Why does a person give to a cause if the individual
contribution, which is generally relatively small, may not significantly
affect the total provision of the public good?[13] Some researchers have
answered the question by suggesting that there are penalties for being a
"free-rider." For example, if a person is a member of an organization
that is working toward a specific goal, there may be an expectation that
each member will donate a specific amount of resources (i.e., money or
time) to reach that goal. If the person does not fully give his or her
share there may be "social penalties" in that the others could look down
on the individual who does not contribute his or her fair share (Brunner
and Sonstelie, 1999).[14]

The second model also suggests that the reasons why individuals
give are not purely altruistic. In fact, the second model argues that
giving is a private good that does in fact provide benefits to the
giver, such as a "warm glow" or prestige (Becker, 1974; Andreoni, 1989;

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[11] While tax deductions are an important consideration for potential
donors, they cannot fully explain charitable contributions. The benefits of a
tax deduction, by definition, are less than the cost of the gift.

[12] In this context, it can be thought of as any public service.

[13] In many cases, the charitable contribution of an individual is treated
unilaterally. In other words, an individual's act of giving occurs without the
consideration of other people's giving behavior. However, some researchers
argue that givers do use social interaction in their decision process (Brunner
and Sonstelie, 1999). Rather than taking the charitable behavior of others as a
given, a contributor considers other givers' behavior and a decision is based on
this information.

[14] Brunner and Sonstelie (1999) suggest that fund-raising organizations,
such as PTOs, use social interaction as a mechanism for inducing people to give.
In other words, these organizations hold events in which interested parties,
e.g., parents, can observe other people's giving behavior and then make
decisions based on that information.

Glazer and Konrad, 1996; Harbaugh, 1998). So, unlike with the public-good theory, a person's contribution is meaningful because it provides value to the giver whether or not it has some kind of external effect (Duncan, 1999). In fact, Harbaugh (1998) noted that contributors may not even care if the money they give is having a social impact, rather, they care only if it provides personal satisfaction and recognition.[15] In general, the private-good model suggests that contributions to charitable organizations can be considered similar to any other good or service on which people spend their money. No matter what their reasons, it is quite clear that many people and organizations give to a variety of causes and services, including public education.

There are a number of reasons why local businesses and major corporations engage in altruistic behavior as well. The Business for Social Responsibility (BSR) Website outlines several explanations for business involvement, including "increased sales, improved employee morale, an enhanced ability to compete for valued employees in the local labor pool and being seen as a 'neighbor of choice' in the community." BSR also notes that increasingly a range of business stakeholders, including investors, customers, employees, public-interest groups and even government officials, are putting pressure on businesses to engage in their communities and to act as "good citizens." Companies are also motivated by the recognition that they are sometimes in a better position to address certain social problems than are government agencies.

Who are the givers

In this section we describe the givers of both in-kind and monetary contributions to schools. Parents have always been a key source of giving to public schools. Parental contributions include straight monetary donations or materials and supplies, but also include contributions of time, for such things as planning and responding to

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[15] Harbaugh (1998) suggests that if donors are motivated by prestige, organizations can increase donations by reporting categories of donations. Glazer and Konrad (1996) argue further that donations can be a signal of wealth and that people may gain social approval by giving beyond the average levels of donations.

fundraisers, or supporting teachers in the classroom. As shown in **Table
2.2**, approximately 20 percent of households[16] contributed an average of
about $300 to education in 1995. While a higher percentage of
households contribute to several other charitable organizations,
education receives a relatively high average annual amount per
household.

Table 2.2
**Percentage of Households Contributing to Education and Other Charitable
Organizations and Average Donation, 1995**

Type of Charity	Percentage of Total Households Contributing	Average Annual Contribution	
		Per Contributing Household	Per total Household
Religious	48.0%	$868	$417
Health	27.3%	$214	$58
Human Services	25.1%	$271	$68
Youth Development	20.9%	$137	$29
Education	20.3%	$318	$65
Environment	11.5%	$106	$12
Public and Societal Benefit	10.3%	$122	$13
Arts, Culture, and Humanities	9.4%	$216	$20
Recreation, Adults	7.0%	$161	$11
Private and Community Foundations	6.1%	$181	$11
International, foreign	6.1%	$283	$17
Other	2.1%	$160	$3

   Source: Digest of Education Statistics, 1999, U.S. Department of
Education, National Center for Education Statistics, Table 30.

     Currently, there is the perception that money is tight and that
teachers are stretched thin, so parents are increasingly asked to take
on new roles and do more than respond to the traditional school
fundraisers. Many schools are asking parents to have a stronger
presence at the school and to participate in everything from
instructional support and school governance to school maintenance.[17]

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[16] "Households" do not necessarily include parents or parents of school-
age children. In addition, "Education" may include both public and private
education.

[17] These efforts are being supported by state and district actions. For
instance, the California Family-School Partnership Act, passed in 1995, the
California State Board of Education requires schools to push for parental
involvement, even if it is just encouraging parents to help students with
homework. Further, some school districts are providing support organizations to
promote parent involvement. The San Francisco Unified School District, for

However, this may put some districts and schools at a disadvantage. **Table 2.3** suggests a positive relationship between family income and involvement in school activities.

Table 2.3
Percent of Elementary and Secondary School Children Whose Parents are Involved in School Activities

Family Income	Percent of children whose parents report that they--			
	Attended a general school meeting	Attended parent-teacher conference	Attended a class event	Volunteered at school
Less than $5,000	67.0%	68.3%	49.8%	27.0%
$5,001 - $10,000	63.8%	67.4%	49.6%	24.4%
$10,001 - 15,000	67.4%	66.9%	60.3%	29.9%
$15,001 - $20,000	69.1%	67.4%	55.8%	26.8%
$20,001 - $25,000	69.0%	68.7%	58.5%	29.2%
$25,001 - $30,000	72.0%	69.2%	61.7%	33.0%
$30,001 - $35,000	79.0%	69.1%	68.8%	41.6%
$35,001 - $40,000	78.9%	72.8%	69.6%	41.7%
$40,001 - $50,000	80.7%	73.9%	72.8%	45.3%
$50,001 - $75,000	83.9%	72.2%	75.0%	49.1%
Over $75,000	88.2%	73.8%	79.1%	57.3%

Source: Digest of Education Statistics, 1999, U.S. Department of Education, National Center for Education Statistics, Table 25.

To illustrate—sixty to seventy percent of families with incomes up to $25,000 report attending a school meeting, while eighty to ninety percent of families with incomes over $40,000 report attending a school meeting. Similarly, while less than thirty percent of relatively low-income families volunteer at their child's school, around fifty percent of relatively high-income families volunteer at school. In addition, single parents, parents who are employed outside the home, parents who live far from the school, and fathers are less involved, on average, at the school building.[18]

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example, opened a parent and community involvement office in the 1996-97 school year to help its 112 schools support parent volunteer efforts (Schevitz, 1997).

[18] Research that reports patterns of involvement across the grades, for families with low and high socioeconomic status, for one- and two-parent homes, and on schools' programs of partnership includes: Susan L. Dauber and Joyce L. Epstein, "Parents' Attitudes and Practices of Involvement in Inner-City

In addition to parents, local businesses provide important support to public schools. Local businesses tend to support schools in their own cities and within close proximity to their business location (Mamokhin, 2000). These businesses provide donations of such items as food, meeting space, and school supplies, serve as student mentors and tutors, and provide award and gift certificates to honor teachers and students.

Corporations are also key givers to public education.[19] Corporations have the resources to both help finance school programs and be an advocate for specific policies at the national and local levels. Corporate involvement dates back to the 19th Century when business leaders were quite involved with the movement to set up universal schools and led public schools to adapt business principles in operating schools (Timpane and McNeill, 1991). This support waned over the mid-half of the 20th Century, but has rebounded with an increase in school-business partnerships in recent decades (McGuire, 1990).

In addition, large philanthropic foundations, such as the Carnegie Corporation and the Ford Foundation, have been contributing significantly to public education since the late-1950s and continue to provide financial contributions today (Meade, Jr., 1991).[20] Other

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Elementary and Middle Schools," in Nancy Chavkin, ed., *Families and Schools in a Pluralistic Society*, (Albany: State University of New York Press, 1993); Sanford M. Dornbusch and Philip L. Ritter, "Parents of High School Students: A Neglected Resource," *Educational Horizons*, vol. 66, 1988, pp. 75-77; Jacquelynne S. Eccles, "Family Involvement in Children's and Adolescents' Schooling," in Alan Booth and Judith Dunn, eds., *Family-School Links: How Do They Affect Educational Outcomes?* (Hillsdale, N.J.: Erlbaum); Joyce L. Epstein and Seyong Lee, "National Patterns of School and Family Connections in the Middle Grades," in Bruce A. Ryan and Gerald R. Adams, eds., *The Family-School Connection: Theory, Research, and Practice* (Newbury Park, CA: Sage); Annette Lareau, *Home Advantage: Social Class and Parental Intervention in Elementary Education* (Philadelphia: Falmer Press, 1989).

[19] As we define it, the difference between local businesses and corporations is the scope of their market: Local businesses serve the local market while corporations serve a much larger market.

[20] The largest single gift ever made to American public education is the Annenberg Challenge grant, funded by the Annenberg Foundation. Ambassador Walter Annenberg's $500 million, five-year challenge grant is designed to energize, support and replicate successful school reform programs throughout the country. Los Angeles Unified School district and districts in surrounding Los Angeles

organizations such as community organizations, colleges and universities, and alumni organizations have also been supporters of the public schools in various ways. A wide variety of community-based organizations, including YMCAs, Boys and Girls Clubs, Chambers of Commerce, Boys and Girls Scouts, and Rotary Clubs, have provided time and in-kind resources to public schools.[21] Colleges and universities generally require education majors to spend time in schools and encourage younger students to visit the college campuses. Service-learning, which involves integrating community service with academic curriculum, has become more common on college campuses, and K-12 students and classrooms are the primary beneficiaries of college students' service activities (Gray, et al., 1999). The range of service activities includes tutoring, mentoring, and other classroom support programs. Finally, school alumni associations have been forming across the nation to raise monetary support (Glass, 1995).

Channeling giving through school-based organizations and individuals

Often, when a private individual or group gives to public education, it channels its contribution through a school or district-based organization. The prevalence of particular organizations in California schools and districts is displayed in **Table 2.5**.[22]

Table 2.4
Organizations Channeling Private Resources in California

Category	Total	Description
Parent Teacher Associations (PTAs)	974	Teacher-Parent groups that are members of the California Congress of Parents, Teachers, and Students, Inc.
Booster Clubs	692	Obtain private funding for school

County are recipients of a $53 million Annenberg challenge grant, to be matched one-for-one.

[21] For example, Los Angeles Educational Partnership (LAEP) is a non-profit organization working to support public education in the Los Angeles area. Since 1984, LAEP has invested more than $50 million in teacher development, school reform, and community services in Los Angeles-area schools and communities.

[22] As a point of reference, in 1997, California had 1,060 school districts and 7,913 schools. The counts of PTAs, Booster Clubs, LEFs, and PTOs in the Brunner and Sonstelie research are not totals for the state. The IRS data the research relied on only includes non-profit organizations with relatively high levels of total monetary contributions. Therefore, the totals for the state are likely considerably higher than those in Table 2.4.

		programs.
Local Education Foundations (LEFs)	537	Community-based organizations generally associated with districts and raise private support.
Parent Teacher Organizations (PTOs)	328	Teacher-Parent groups that are not members of the California Congress of Parents, Teachers, and Students, Inc.

Source: Brunner and Sonstelie, 1997

Of these, Parent Teacher Associations (PTAs) are the most popular
not only in California, but nationwide. Today, the national PTA has
over 6.5 million members in over 26,000 local chapters throughout the
country. While PTAs are the most common school based organization, they
are certainly not the only ones. Other groups include Parent Teacher
Organizations (PTOs) and booster clubs, which are generally not
affiliated with a national organization. While PTAs typically focus on
national or state education issues and are service organizations in
addition to fundraising organizations, PTOs and booster clubs are
essentially fund-raising organizations. Booster clubs often target
their efforts towards one particular activity, such as an athletic team
or a club (like marching band or chorus). All of these organizations
typically serve an individual school rather than the entire district.
Some schools have more than one of these organizations in operation.
All are also typically run for parents, and use a range of methods for
raising support--from events to sales to mail solicitations.

A fourth type of organization that has only recently become
prominent is the local education foundation (LEF).[23] LEFs are tax-
exempt, non-profit, community-based organizations; they can be started
by active parents or by district staff who solicit parent or community

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[23] Although the largest growth of these foundations occurred after 1989,
the boom started early in the decade in some states that had newly approved
property tax limitation measures (Merz and Frankel, 1995; Brunner and Sonstelie,
1997, and Addonizo, 1999). The growth of LEFs appears to be particularly
prominent in states that have instituted tax limitation policies. Soon after
the 1978 passage of Proposition 13 in California, for example, the number of
LEFs doubled in the state—from 22 in 1978 to 46 in 1980. California is widely
believed to have the most LEFs, with a total of 537 LEFs in 1995, up from 204 in
1985 and 30 in 1979 (Brunner and Sonstelie, 1997). The lack of a nationwide LEF
clearinghouse makes it nearly impossible to ascertain an accurate national
number of such foundations. However, de Luna (1998) estimates that there are
over 2,000 LEFs nationwide.

member involvement to run the foundation.[24] As opposed to PTAs, PTOs, and booster clubs, LEFs typically operate at the district level, but they are independent of the school districts they serve. A common model for LEFs consists of a single foundation that serves all the schools in one district. On the other hand, some LEFs and the districts they serve allow individual schools to form their own foundations. Another model is a single foundation that serves several districts in a region. Foundations are often sophisticated entities with board members and directors, and several steering committees that concentrate on such issues as advertising, public relations and fund-raising strategies. Because of their structure and position outside the public school system, LEFs can write grants, secure donations of services or funds, mount programs, and make payments faster than other traditional organizations or schools themselves. Some foundations concern themselves mainly with fundraising while others focus more heavily on bringing about "systemic reform" in schools, working in areas such as school governance, educational leadership, curriculum and assessment. Foundations tend to focus on bigger gifts than PTAs or clubs—they pursue a smaller number of donors giving larger amounts of money (Addonizio, 2000).[25] Thus, successful LEFs can raise a significant amount of money. For example, a Pasadena, California LEF raised $1 million in donations

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[24] There are three primary advantages to qualifying as a tax exempt organization under section 501(c)(3) of the Internal Revenue Code. First, such an organization is normally exempt from federal income taxes. Secondly, contributions to a 501(c)(3) organization usually result in a tax deduction to the donor. And, finally, such an organization is in a position to attract grants from other tax exempt organizations (Merz and Frankel, 1995).

[25] In response to this growth in LEFs, associations have formed in various states to assist foundations. In California, for example, The California Consortium of Education Foundations (CCEF) was formed as a way to share ideas between LEFs in the state and to provide advice on forming and maintaining a foundation. The CCEP acts as a unified voice for the local education foundations across the state. In addition, eighty-four foundations in 26 states and the District of Columbia belong to the Public Education Network (PEN). The main focus of foundations associated with PEN is bringing about systemic reform in schools and working in policy areas (de Luna, 1998).

and $6 million in grants in 2000 for Pasadena public schools (Fox, 2001).[26]

In addition to these organizations, there are individuals at both the school and district level who are instrumental in channeling private resources to public schools. Recent articles suggest that the fundraising role of school and district leaders has taken on greater prominence over time. A "good" superintendent, much like a good university president, goes out and raises money for the district (Richardson, 1994). Similar stories are heard at the school level. The principal of a high school in Inglewood, California, for example, reported using personal contacts to obtain more than $200,000 in gifts and grants for her school over three years (Richardson, 1994).

Mechanisms for attracting private support

Public schools and district organizations and individuals use a variety of mechanisms to attract resources from private givers. Traditionally, the basis for attracting private monetary resources has been fundraising events. Fundraisers run the gamut from product sales to special events such as raffles, auctions, and dinner dances. Fundraising is such a staple at public schools that it has spawned an entire industry that does nothing but supply products for fundraisers (e.g., wrapping paper and candy).

Two other popular methods of attracting private support are mass mailings and phone solicitations. At San Pedro High School in California, for example, the school librarian sent out more than 2,000 letters to companies and organizations asking them to donate their used computer equipment--the campaign resulted in the donation of 19

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[26] These foundations have raised issues of equity. In Los Angeles County, one particular school district raised as much as $400 per pupil, while other school districts raised nothing at all (Fox, 2001). Several recent research efforts (Merz and Frankel, 1995; Brunner and Sonstelie, 1997; Addonizio, 1999) conclude that foundation contributions are a small percentage of revenue in all but a handful of schools, raising very small amounts of money compared to school district budgets and hence having little effect on the per-pupil amounts available to districts. Other research (Crampton and Bauman, 1998) suggests that entrepreneurship did have a disequalizing impact on intra-district and inter-district fiscal equity.

computers (Richardson, 1994). Phone solicitations can also be fruitful. The Lake Oswego School District Foundation in Oregon, for example, relies primarily on "phonathons" to raise money. In the spring of 1995, it collected about $100,000 in a two-night effort during which 70 volunteers telephoned 5,000 households (de Luna, 1998). While fundraising for schools is not new, there is the sense that it has gotten more intense, varied, widespread and profitable over the past decade or so (Walker, 1999).

While product sales, one-time event and mail and phone solicitation fundraisers are important, the literature suggests that personal contacts/relationship building is key to raising support in a more meaningful and sustained way (Manohkin, 2000). Personal contacts allow the person channeling the private resources an "in" with the prospective private giver. Relationship building can involve keeping the giver abreast of school activities and making the giver feel like a partner by ensuring that the relationship is mutually beneficial to both the giver and receiver.

Another more recent trend is for districts and schools to solicit the services of paid consultants to help them establish local education foundations and to advice them on innovative ways to raise private support (Mathews, 1995).[27] This marks a growing intensity and sophistication with which schools and districts are approaching private giving.

Types of Private Giving

The fundraising efforts described in the previous section lead to both in-kind and monetary private resources for public schools and districts. However, data on the type and quantity of giving are not systematically collected at either the school or district level. Furthermore, in-kind support is inherently harder to quantify than is monetary support--it is more difficult to assign value to someone's time

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[27] One consulting firm that helps start educational foundations reports having 300 public school clients. This is clearly a small percentage of the overall number of schools in the U.S., but it will be interesting to see if the number of schools seeking help and the number of consultants increases over time.

than to a check. In this section, we highlight what is known about
these two major types of support. While one can find many examples of
in-kind support in the literature, it is difficult to know the relative
size of in-kind versus monetary support and the relative importance of
each to public schools.[28]

In-Kind Support

A variety of private givers, e.g. parents, businesses, and
community members, volunteer their time in public schools. Volunteer
contributions include a wide spectrum of support—such as volunteer time
for tutoring, health services, office support, school governance, and
fundraising. Parent volunteer time in particular is critical to schools
since parents have a stronger connection with schools than other
community members. Parents often volunteer in their own children's
classrooms, sit on governance councils, and help organize and run fund-
raising activities.[29] When Orange County, California had a budgetary
crisis and declared bankruptcy, for example, the schools asked parents
to help meet the shortfall in the budget by volunteering their time
(Loar and Bean, 1994). The president of the Irvine PTA in Orange
Country estimated that during the 1994/95 school year over 280,000 hours
of time was volunteered by parents, who cleaned, painted, stuffed
envelops, tutored, and even taught (Graham, 1995).

Business people also frequently volunteer their time as well as
provide material donations (Momokhin, 2000). By all indications, the

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[28] Often, one kind of private support can lead to other kinds of private
support. For example, Timpane and McNeill (1991), describe unique stages of
school-business relationships with different types of support at each stage.
These relationships often begin as helping-hand relationships in which
businesses provide tangible goods and services to schools (such as equipment,
tutors, speakers, special materials). Next, businesses may get involved in
programmatic initiatives in attempts to change and improve one particular school
or one particular program. Then, businesses may form compacts and collaborative
efforts providing a single community-wide umbrella for a wide range of school-
business and school-community activities and, in one way or another, pressure
for district-wide school reforms. As the final stage, business leaders and
organizations get involved in policy changes and become active participants in
developing a vast array of new policies, especially at the state level.

[29] See footnote 19 for a list of references on parental involvement in
schools.

most widespread and popular type of relationship between businesses and schools is the helping-hand relationship. Businesses provide resources the schools could not secure on their own, such as guest speakers, equipment and computers, business employee volunteers, and mini-grants to teachers. Seventeen percent of the nation's schools reported being part of business-school partnerships in 1984; this number grew to 40 percent in the early 1990s (Timpane and McNeill, 1991). In total, there are more than 140,000 partnerships in 30,000 public elementary and secondary schools across the nation. Small business firms sponsor about 40 percent of the partnerships, while medium and larger firms each support roughly 30 percent.

There are a wide variety of models of business-school partnerships. A program in Prince Georges County, Maryland, for example, has been established to create partnerships between business leaders and school personnel. When County public school administrators needed help resolving problems—from streamlining the bus system, to fixing up aging buildings, to tracking job candidates—school officials sought help from chief executives at successful businesses in the area. The businesses responded and created a program called Corporate Partnership on Managerial Excellence. Business people paired up with school administrators to teach them skills businesses routinely use to solve problems. For example, personnel experts worked with school human resource workers; construction professionals worked with construction division managers in the schools; and transportation professionals worked with school administrators to overhaul their transportation division (Thomas-Lester, 2000). As another example, virtually all districts in the South Bay in Los Angeles County solicit and receive contributions from the area's major aerospace, automobile, computer, and oil companies. For example, the Mattel Alumni Association offers a popular business education course at the La Tijera School in Inglewood. The Inglewood Unified School District estimates that if it had to pay for the program, the District would be out about $60,000 a year for the hours of labor and materials needed for the class (Richardson, 1994).

Community-based organizations are also strong givers of in-kind support, particularly in the areas of student and family support

services, after-school programs, and enrichment programs. For example, some hospitals establish clinics at their local schools, providing nursing services, immunizations, and education programs to students and their families. Some community organizations provide family services such as parent education classes or English language classes. In addition, a variety of organizations such as the YMCA and Boys and Girls Clubs provide after-school programs. Further, community-based organizations often provide volunteer personnel for enrichment programs as well as provide related instructional materials.

Monetary Support

Private monetary support to public schools comes in many forms, including donations, percentages of sales, scholarships, paid endorsements, user fees and leasing of school facilities. Donations are a relatively straightforward type of support; they can be given to support a particular program or be given as flexible aid for use as the school sees fit. A wide variety of givers may make monetary donations to a school, including parents, corporations, philanthropic foundations, and city governments.

National and state databases generally do not detail the types and amounts of private monetary giving. When the data sets do account for financial donations, these are generally lumped together with a category called "other revenues." For instance, California Department of Education data include revenue sources by school district including property taxes, supplemental taxes, valorem taxes, interest income, and a category called "all other local revenue." The amount in the "all other" category is a lump-sum value with no description of the sources. As a result, it is impossible to track financial donations, let alone in-kind gifts. Other researchers, including Eric Brunner and Jon Sonstelie (1997), have pursued IRS data along with other data sets, including the Registry of Charitable Trusts located in Sacramento, which tracks non-profit organizations. Through an arduous process, these data sets can be used to identify particular organizations that are associated with schools and districts, such as PTAs and LEFs. Again,

the data offer very limited information about the scope and quantity of both monetary and in-kind contributions to schools.[30]

Another type of monetary support worth noting results from schools receiving a percentage of sales from businesses. Scrip, for example, allows people to contribute by purchasing certificates for goods that they would normally buy. Scrip certificates are sold at a slight discount to schools and the schools make money by reselling the certificates at full value to parents and other supporters. Scrip is available from a variety of businesses selling everything from groceries, clothes, restaurant meals, toys, flowers, to airline tickets. Parents at Monterey Hills Elementary School in South Pasadena, California, for example, raised about $10,000 annually selling scrip for supermarkets and smaller chains. Businesses benefit because they attract customers, and they also benefit because they are paid in advance, providing ready cash before goods and services are delivered (Ellingwood and Hong, 1998).

Another area of private monetary support comes in the form of paid endorsements and advertising revenue. A Colorado Springs school district is believed to be the first in the nation to allow commercial advertising on school walls, athletic uniforms, newsletters, district reports, maps, stadium walls, and buses. In the past, securing corporate sponsors for state high school athletic tournaments was not unusual. Presently, school districts in several states are active in seeking corporate sponsorship for academic and extracurricular activities in addition to athletic events. The funds generated from the advertising can be substantial. In Chula Vista, south of San Diego, California, the Sweetwater Union High School District signed an exclusive Pepsi deal that will bring at least $4.45 million to the district's 20 schools over the next 10 years. The money will pay for technology, library books, intramural sports, music programs and school-to-career programs (Groves, 1999). Schools generated an estimated $750 million in revenue from vending machines in 1997, according to the trade

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[30] In this current study, we do not analyze these data sets. However, we may do so in future projects to help identify private givers to public schools.

journal Vending Times. However, paid endorsements and advertising revenue in public schools are controversial. One district has taken a stand against commercialism in public schools--declaring that San Francisco's schoolchildren are not "for sale," the city's school board approved a trend-bucking policy seeking to limit commercial advertising and paid endorsements in the city's public schools (Groves, 1999). Currently, 19 states have created statues or regulations that address commercial activities within schools (GAO, 2000). In addition, Senator Patrick Leahy has announced that he will introduce legislation "that would allow the federal government to more tightly restrict soft drink sales in schools" (Kaufman, 2001). Coca-Cola Company has acknowledged critics' concerns and is planning to announce a new policy to discourage its bottlers from signing exclusivity agreements with schools (Kaufman, 2001). The new policy is a reaction to concerns about both the commercialization of schools and the health of school children. Pepsi has said that it will follow Coca-Cola's lead.

Use of Private Monetary Giving

Private monetary giving supports a wide range of activities that tend to fall into three main categories: current operations, technology, and capital improvements. Most monetary giving, except for the generally small amount of funds coming from percentages of sales, tends to be targeted to particular functions or goals.

Private dollars devoted to current operations support a variety of activities that affect the day-to-day operation of the school or district. One use of private dollars is for the professional development of teachers and administrators. A recent study (Useem, 1999) found that professional development efforts were the most frequently targeted by LEFs. All 17 of the LEFs studied had programs that supported the training of teachers and/or administrators or other school personnel. Learning opportunities provided to staff included training on particular content areas, such as mathematics or science; assistance with curriculum development; mini-grants for individual teacher enrichment; leadership development; new teacher workforce development; and technology training.

How private monies are spent on current operations varies from site to site and often depends on the amounts each is able to raise. Donations may be used to fund enrichment programs, such as a special arts program or a substance abuse prevention program; instructional materials, such as workbooks or curriculum guides; or school supplies/equipment such as paper or VCRs. Private dollars frequently enable teachers to try creative classroom teaching projects, especially at those schools and districts with smaller fund-raising capacities. At the other end of the money-collecting spectrum are those districts and schools that bring in enough private funding to support teaching positions. A recent national study of local education foundations found that LEFs that raise $10,000 or less annually usually spend their funds on mini-grants and scholarships (Merz and Frankel, 1995). Foundations that collect from $20,000 to $50,000 annually tend to spend the money on curriculum enrichment programs, teacher training, and teaching resources and those that bring in more than $100,000 annually often pay for teaching positions. In addition, school- and district-based fund-raising entities that concentrate their efforts on reforming education tend to spend their donations on such activities as professional development, policy development, public relations, and the promotion of school/business partnerships (de Luna, 1998).

Other uses of private dollars include investments in technology and capital improvements. Of the 17 LEFs recently studied by Useem (1999), a majority administered programs that integrated computer-based technologies into various aspects of school reform. The projects raised money for technology efforts, encouraged voters to support expenditures for technology, recruited volunteers to assist schools with technology, provided training to school constituencies, and created online services and Internet home pages with educational and social service resources and databases.

In addition, schools and districts use private dollars for a variety of building improvements. A recent GAO study (1995) documents the poor state of American public school facilities. Some schools and districts are responding by seeking private support to improve the physical conditions of the schools. While large-scale capital projects

are usually beyond the means of private support, private support is used for a variety of school building safety, enhancement and beautification projects (Anderson, 1997; Warchol, 1997).

Limitations of Current Research

In part due to the dearth of local, state, or federal data on private giving, we currently do not have a comprehensive, systematic picture of private support to public schools and districts. Newspaper accounts of private giving provide anecdotal evidence regarding the *who, how and what* of private support to public education. Anecdotal evidence suggests a wide range of school and district-based organizations are using a variety of mechanisms to channel monetary and in-kind support to public education from a variety of private givers. In addition, it is likely that different types of communities call on different types of private monetary and in-kind resources.

Recent research literature on private support of public education largely examines private monetary support of education, particularly that from LEFs. This is not surprising as monetary support is relatively easy to document compared with in-kind support. And, raising monetary support through LEFs is a recent and growing phenomenon. While LEFs are clearly an important component of private support, they do not present a complete picture of private support available to public education. Further, to the extent that schools or districts obtain monetary support, we do not currently have an understanding of how the funds are distributed and for what purposes.

Our current study begins to address these limitations.

III. METHODOLOGY

In order to explore the questions *who*, *how*, and *what*, we selected a sample of schools and districts that represent[31] the diversity within Los Angeles County. These site visits gave us the opportunity to question school and district personnel about their fundraising activities. Our belief was that we could learn more from personal interviews than we could from the data that currently exists. This type of research methodology is particularly well-suited for exploratory analysis as it allows the researcher to ask more open-ended questions and to develop hypotheses that can be studied in greater depth in future research (Yin, 1994). In this section, we describe the process both for choosing our sample and for conducting interviews with school and district personnel.

District and School Selection

Los Angeles County is one of the most heavily populated and diverse counties in the United States. Similarly, the school districts within the county are diverse, both in size and demographics. In total, there are over 1.6 million students in close to 1,700 schools in 83 districts in Los Angeles County. Among these districts is the second largest district in the United States--the Los Angeles Unified School District (LAUSD). In the 1998-99 school year, LAUSD had close to 700,000 students with a total budget of $4.27 billion. In contrast, both in size and budget, Gorman Elementary School District had just over 100 students with a budget of $1.1 million.

In addition to their differences in size, districts within Los Angeles County have racial/ethnic and socioeconomic diversity. Districts and schools are often highly segregated across demographic characteristics. In nearly half the districts, over 70 percent of the

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[31] In this section we use the words "represent" and "representative" to mean "reflects" or "is similar to." Since the districts and schools were not randomly selected the sample is not "representative" in the statistical sense of the word, and so we cannot draw conclusions about the larger population of schools and districts.

student population is from one racial/ethnic group, and in some individual schools the entire student population is comprised of one racial/ethnic group. Similarly, Free and Reduced Lunch participants, with eligibility based on income, represent nearly 100 percent of certain district's student populations, while in other cases these students represent as little as 2 percent of a district's student population.

Finally, the diversity of Los Angeles County is evident in the distinctive characteristics of different regions within the county. In total, Los Angeles County covers over 4,000 square miles with pockets of different ethnic, cultural, and business communities, which ultimately lead to unique communities with their own sense of identity. These differences may lead to different patterns in private giving. A large district with a high percentage of minority students in the southern part of the county may have a very different level of parental and community involvement and may use different strategies to gain private support than a small district with a small percentage of minorities in the northern part of the county.

District Selection

In selecting districts to visit, we attempted to create a sample that was as similar as possible to Los Angeles' diversity so that we would identify the range of activities taking place in the region. Therefore, to create our sample, districts were stratified not only by geographic area, but also by educational, socioeconomic and demographic indicators.[32] Indicators included test scores, district size, percentage Hispanic, percentage African American, percentage White, and percentage Free and Reduced Lunch participants. The geographic areas included the Valley/North LA, West LA, East LA, Central LA, South LA, and the South Bay Beach Communities. Using these six regions, we selected one district per geographic area and one to two schools per

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[32] The data on school and district characteristics in Los Angeles County comes from the National Center for Education Statistics' (NCES) Common Core Data (CCD) and the California Department of Education (CDE) data files. Specifically, the CCD data provided financial and demographic data, while CDE data files provided test score results.

district. In total ten schools were selected. More specifically, two
schools per district were selected from the Valley/North LA, West LA,
Central LA, and South LA districts. One school per district was
selected from the East LA and South Bay Beach districts.[33] **Table 3.1**
highlights the mean district and student characteristics of the selected
districts relative to the mean district and student characteristics of
the county as a whole, and **Table 3.2** highlights the respective rank of
the selected districts for these same characteristics.[34]

Table 3.1
Comparison of Selected School Districts
Relative to the County as a Whole

	Total Students	Percentage White	Percentage African American	Percentage Hispanic	Percentage Free Lunch	Test Scores
	Mean	Mean	Mean	Mean	Mean	Mean
County	19,891	19.8	11.4	58.6	61.3	641
Selected Sample	26,052	34.8	12.8	38.6	42.7	626

As **Table 3.1** highlights, on average, the selected districts are
larger than the typical LA County district. The selected districts for
our sample have a slightly higher percentage of African American
students, a significantly higher percentage of Whites, and a smaller
percentage of Hispanic and Free Lunch students, while the test scores
are near the county mean.

Table 3.2 displays the specific quartile each district falls into
relative to the rest of the county. A district with a rank of 1 is in
the highest quartile while a district with a rank of 4 is in the lowest
quartile of that characteristic. Districts with a rank of 2 and 3 are
in the second and third quartiles respectively, and we characterize
these as more average districts. Examining the table, we see that our
sample has four relatively "large" districts, one "average" district,

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[33] We visited only one school in these districts because the South Bay
Beach District is small and the East LA district had only one school that had
substantial private interaction.

[34] Because we have ensured anonymity to our participating districts, we
are not including the district's names. Rather, we will refer to them by their
geographical areas.

and one "small" district. This suggests that we over-sampled large districts.[35] As for percentage White, African American and percentage Hispanic, the sample is more comparable to the county as there are four average districts for African Americans and Hispanics and three average districts for Whites. Two districts have a large percentage of African Americans, one district having a large percentage of Hispanics. Two districts have a small percentage of Whites and one district has a small percentage of Hispanics. In terms of poverty and student achievement, as measured by percentage Free Lunch and test scores, the sample resembles the county with two average, two high, and two low districts. Therefore, we believe that our sample reflects the county as a whole (with the exception of an overrepresentation of large districts).

Table 3.2
Quartile Rank of Selected Districts for
Key Characteristics

District	Total Students	Percent White	Percent African Americans	Percent Hispanics	Percent Free Lunch	Test Scores
District A	1	3	3	1	1	4
District B	1	2	3	2	3	2
District C	1	4	1	2	1	4
District D	1	4	1	3	2	3
District E	4	1	3	4	4	1
District F	2	2	2	3	4	1

In each district we first contacted the superintendent's office to get permission to include the district in our study. A few districts declined to participate so were replaced by districts with similar demographics. One district refused because it said it did not engage in any fundraising efforts, although it did have a very successful education foundation. A second district declined without offering an explanation. In the districts that agreed to participate we interviewed

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[35] This overrepresentation is partially the result of having multiple criteria for selecting districts—it is difficult to achieve a representative sample when trying to sample across a number of criteria.

either the superintendent or members of the superintendent's staff responsible for private giving--in two districts we met with the superintendent and in the other four districts we met with staff members responsible for private giving. The staff typically had titles such as "Business Partnerships" or "Community Partnerships."

School Selection

Part of the overall goal of this study is to provide information to schools and school districts about the kinds of private partnerships that have been developed in various communities and the mechanisms used to attract private resources. Therefore, we wanted a selection of schools that was not random; rather, we wanted a selection that would provide useful information to other schools in developing private partnerships. To select the schools, we asked district-level staff to identify one to two elementary schools in the district considered to be "good" examples of raising private support. In four out of the six districts, we visited two schools. In these cases, we asked the district staff to designate one low- and one high-income school for our interview, so that the lessons learned would be relevant to a range of schools. In the other two districts, we asked the district staff to designate the school most exemplary of private giving regardless of economic standing. We then contacted these schools to set up meetings with the school principal. One school in the original sample never responded to our inquiry, so the district office provided us with a back-up recommendation. Below, we highlight the characteristics of each of the schools that we visited.

Table 3.3 displays the total number of students, percentage of students who are African American, Hispanic or White, percentage Free Lunch participation, and the school mean test score for each of the selected schools. Comparing the mean and median of the sample characteristics to the characteristics of the districts suggests that our school sample is over-represented by schools with high averages of African American, Hispanic, and percentage Free Lunch students, while the sample is very similar in terms of the district's test scores. Therefore, the reader should bear in mind these over-representations

when examining our results. Despite these differences with the districts, our sample of schools does include a wide array of school characteristics with some schools having very low levels of African American, Hispanic, and Free Lunch students, with other schools having very high levels. In addition, the size and test score outcomes also vary widely among schools.

While we tried to select a representative sample, our selection process was more purposive than random, so we must be cautious in what we conclude from our results. In the final section of this chapter we discuss in more detail the limitations and caveats associated with the sample.

Table 3.3
Sample School Description[36]

School	Total Students	Percent White	Percent African American	Percent Hispanic	Percent Free Lunch	Test Scores
District A						
School A	660	5	0	95	90	590
District B						
School B	720	40	0	50	60	660
School C	800	5	60	20	15	640
District C						
School D	440	0	70	30	100	610
School E	970	0	30	70	100	610
District D						
School F	1130	5	25	40	80	620
School G	820	5	20	70	100	620
District E						
School H	630	80	0	5	5	660
District F						
School I	360	45	10	40	55	620
School J	830	80	0	10	5	660
Sample Average	735.6	26.6	21.9	42.6	60.1	629
Sample Median	758.5	5.4	14.7	38.2	68.6	620

In addition to the district and school site visits, we conducted phone interviews with representatives from the local education foundations in three of the districts. We received no response from the other district foundation, and there are no foundations associated with the other two districts (although one of the districts is currently in the process of establishing one).

Interview Topics

We developed separate protocols for the three sets of interviews (district, school, LEF), although similar topics were addressed in each of them (see Appendix A, B, and C for copies of the interview protocols). Having three different protocols enabled us to explore the same topics from multiple perspectives. The interviews covered a range of topics that reflected our research questions:

- How do they--districts, schools, and foundations--raise support, whether monetary, in-kind material donations, or volunteer time?
- Who contributes, what do they contribute, and how much do they contribute?
- How are the resources allocated across the district and within schools?
- What types of programs are supported?

In addition to questions about their individual efforts, we were interested in the interplay between the different entities, so we asked general questions about the relationships between the district, foundation, and schools, and specifically about the amount of support provided by the district and foundation to the schools.

During the district-level site visits we also asked that the respondents complete a form regarding the district's five largest private gifts. The form addressed such topics as the amount, giver, dollar value, timeframe of gift, and use of the gift. Four of the districts returned completed forms. In addition, we collected written

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[36] The total students and test scores have been rounded to the nearest 10 and the columns indicating race and free lunch have been rounded to the nearest 5 to protect the identity of the schools.

documents from some of the sites, such as Annual Reports, copies of mail solicitations used to collect donations, and newsletters.

Analysis

The site visits were conducted between August 2000 and January 2001, with two to three RAND researchers visiting each site. Following each visit the researchers wrote up notes documenting the interview. Once all of the visits were completed, the team met as a group to review the field notes and identify patterns and themes. We developed a matrix using the major research questions as the basis, and then used the matrix to record the results of each site visit. The matrix categories are: private givers; school or district-based entity channeling private resources; mechanism to attract private resources; types of private giving; and use of private monetary giving. Within each category we developed a comprehensive list of different "examples," e.g., in the category of private givers the list of "examples" includes parents, local businesses, and philanthropic foundations, just to name a few. These "examples" came from an extensive literature review, as outlined in Chapter II, the site visits themselves, and from interviews with LEFs and other individuals. We then went through the notes for the sites to determine whether we saw evidence of each example at the particular site. The data from the district forms were also used in completing the matrices.

Other Interviews

In addition to the site visit and foundation interviews, we also interviewed several other experts in the field of private giving to public schools. The expertise of these individuals covered a range of topics, including business partnerships, fundraising, and education foundation development. We did not follow a standard protocol for these interviews, but rather engaged in more unstructured conversation. These interviews supplemented the district, school, and foundation interviews, and provided a slightly different perspective on several of our research questions.

Data Limitations

As we have noted, this research project was designed to serve as a pilot study for looking at how public schools raise support. And as a pilot it was necessarily limited in scope. In this section we outline some of the limitations to the study design.

The major limitation to our analysis is sample size. By including ten schools and six districts in Los Angeles County, our analysis may not capture all facets of private support. The sample also restricts our ability to gain statistically significant differences among the school types, givers, gifts, etc. In addition, we only included elementary schools in our sample--middle and high schools may show different patterns of private giving. Another limitation is that we purposely selected a sample of "successful" elementary schools.[37] Through our study, we wanted to be able to identify and describe successful strategies of gaining private support. Because of this sample selection strategy, our sample may not be encompassing of all successful means of raising private support. Finally, our analysis is limited because we only interviewed school, district and foundation staff, and did not seek information from donors. Thus, our conclusions are only drawn from the schools' perspective.

Despite these limitations, we believe that there are many lessons to be learned from our analysis that are informative both to district and school-level personnel and to policymakers. In the next chapter, we provide results from our analysis.

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[37] Although we found that two of the schools had almost no involvement from parents, business, or the community.

IV.   THE WHO, HOW, AND WHAT OF PRIVATE GIVING

Our review of the literature on private giving raised several
questions that we explored through site visits to 6 districts and 10
schools within those districts. In particular, we explored three key
questions:

1. *Who are the private givers to public education?*
2. *How do schools and districts attract private support? Through
   school-based organizations? Through school and district
   personnel? What mechanisms do schools and districts use to
   attract private resources?*
3. *What types of support are provided? What are the gifts used
   for?*

We developed a matrix of private giving, displayed in **Table 4.1**, to
document the "answers" to those three questions. The content of the
matrix was developed first through our review of the literature,[38] and
then supplemented with the data we gathered during our site visits.
This matrix presents a useful framework for examining the different
dimensions of private giving. Looking across the five columns
demonstrates the potential paths that resources may follow as they move
from private givers to use by districts and schools. Specifically, both
monetary and in-kind resources flow from private givers through various
entities; these entities attract donations through a variety of
mechanisms; finally, private giving may take a variety of forms and be
used for diverse purposes.

The matrix serves as the framework for our discussion of results.
Each of the sections in this chapter corresponds to a column of the
matrix. These sections explore the *how*, *why*, and *what* of private giving
from the perspective of the district staff and school principals whom we
interviewed. We note the frequency of each type of private giving and

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[38] See Appendix E for additional details on the sources of each of the
items included in each of the matrix columns.

describe how these resources are used at both the district and school level. We also discuss differences across schools and districts to the extent that private giving appears to be related to school and district socioeconomic status as measured by participation in the federal free and reduced price lunch program.[39]

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[39] We also examined patterns of private involvement by district and school's size and racial/ethnic makeup as well as by the tenure of superintendents and principals. However, no clear patterns were revealed through these analyses.

Table 4.1
Matrix

Private Givers	School or District-Based Entity Channeling Private Resources	Mechanism to Attract Private Resources	Types of Private Giving	Use of Private Monetary Giving
Advocacy Group	Advisory Board	Grant Applications	IN-KIND: Volunteer Time:	Current Operations:
Alumni	Booster Club	High Profile Speakers/Hosts	Administrative	Athletics
City Government	District Staff	K-12 – Higher Education Partnerships	After-School Programs	Classroom Teachers
Colleges/ Universities	LEF Other School-Based Clubs/ Associations	Leasing of School Facilities	Classroom Support	Curricular Enrichment Programs
Community Based Organizations	Principal	Link with City Planning	Enrichment Programs	Early Childhood Education
Community Members	PTA	Local and National Presentations	Family Services	Health Services
Corporations	PTO School-Site/ Leadership Council	Local Newspaper Advertising	School Facilities	Instructional Materials
Local Businesses			School/District Promotion	
Other Public Agencies	Superintendent	Mail Solicitation	Staff Training	Other Staff Salaries
Parents		Participation in Scrip or Website Programs	Student Instruction	Parent Education Programs
Philanthropic Foundations		Peer pressure	Student Mentoring	Professional Development
Professionals Associations		Personal Contact/ Relationship Building	Student Support Services	Promotion of School/ Business Partnerships
Students		Phone Solicitation	Student Tutoring	Salary enhancement or stipends for existing teachers
		Product Sales	Material Donations:	
		Professional Fundraiser	Awards/Gift Certificates	School Maintenance
		School-Business Partnerships	Equipment	School Supplies/ Equipment
		Special Events	Food	Special Events
			Instructional Materials	Student Supplies
			Off-Site Facilities for Events	Student Transportation
			School Supplies	Teacher Aides
			Student/Family Supplies	

			Technology MONETARY: Donation Leasing of Facilities and Services Membership Dues Paid Endorsements/ Advertising Revenue Percentage of Sales Scholarships User Fees Wills/Bequests	Technology: Computers/ Software Capital Improvements: Building Additions Building Enhancement Furniture Heating/air conditioning Playground Equipment School Beautification Sports Facilities

Private Givers

Private givers to public education include parents, businesses, philanthropic foundations, non-profit organizations, community members, colleges/universities, and alumni. Each private giver often provides a variety of private support, both monetary and in-kind. In addition, the types of private support may change as the private giver-public school relationship develops over time.

Table 4.2 (which corresponds to the first column in **Table 4.1**) presents the private givers to the six districts and the ten schools visited in this pilot study. The first column presents the private givers to the schools—the number in parentheses is the number of respondents who mentioned receiving support from that type of giver. The second column shows the corresponding information at the district level.

Table 4.2
Private Givers in School and District Sample

Schools (10)	Districts (6)
Parents (10)	Corporations (6)
Local Businesses (8)	Local Businesses (6)
Community-Based Organizations (6)	Colleges/Universities (4)
Corporations (6)	Community-Based Organizations (4)
City Government (3)	Community Members (4)
Community Members (3)	Parents (4)
Philanthropic Foundations (3)	City Government (3)
Professional Associations (3)	Philanthropic Foundations (3)
Students (3)	Other Public Agencies (1)
Advocacy Group (2)	Professional Associations (1)
Alumni (1)	Advocacy Group (0)
Colleges/Universities (1)	Alumni (0)
Other Public Agencies (1)	Students (0)

School Level

While parental involvement was the most common form of "giving" at the school level, other contributors also played a significant role in providing support to the schools. A majority of schools relied on parents, local businesses, corporations and community-based organizations for support. While the level of support from each of these givers varied from school to school, as will be discussed later in the chapter, these four private givers played a role in most of the schools we studied. Although not as prevalent across schools, students, philanthropic foundations, community members, professional associations and city governments are givers (and often donate significant size gifts), in one-quarter to one-half of the sample schools. For example, two schools had sizable arts programs funded by their city governments. In addition, other schools received significant monetary contributions from community members to improve school facilities. In another school, a program was developed in which older students (as well as parents and school staff) served as tutors for younger students.

In contrast, *colleges and universities did not play an active role in our sample schools*--they were mentioned by only one school. This is surprising given that most of the schools that we visited had colleges/universities nearby. Some of the schools did mention that they once had some loose connections with the local colleges and universities, but that those relationships had not continued.

District Level

Our sample districts attracted support from many of the same private givers as the sample schools, although the size of those contributions differed as will be discussed below. The most commonly reported types of private givers to districts were local businesses and corporations; all six of our districts reported receiving resources from these two groups. Community members were also active givers to several of our districts (serving on advisory boards or sponsoring events). While many of the school districts reported that parents were involved at the district level, either by volunteering or donating money, this type of support was far more prevalent and extensive at the school level. In contrast, colleges and universities played a considerably greater role at the district level as compared to the school level. *Overall, school districts tended to attract resources from larger and more formalized groups, such as corporations, local businesses, and colleges and universities, as opposed to individuals and smaller groups and associations which were typical at the school level.*

School or District-Based Entity Channeling Private Resources

Our review of the literature suggested that there is generally an organization or individual through which private givers contribute their in-kind and monetary support. These organizations and individuals use a variety of mechanisms, as outlined in the next subsection, to attract private support to the district and/or school.

Table 4.3 presents the entities channeling private resources in our school and district sample.

Table 4.3
School or District-Based Entity Channeling Private Resources in Schools and Districts

Schools (10)	Districts (6)

Principal (10)
Local Education Foundation (7)
PTA (6)
District Staff (4)
School-Site/Leadership Council(6)
Booster Club (2)
PTO (1)
Other School-Based
  Clubs/Associations (1)
Superintendent (0)
Advisory Board (0)
	District Staff (6)
	Local Education Foundation (5)
	Superintendent (3)
	Advisory Board (1)
	Booster Club (0)
	PTA (0)
	PTO (0)
	School-Site/Leadership Council (0)
	Other School-Based
	  Clubs/Associations (0)
	Principal (0)

School Level

At all of the sample schools, the principal was involved to some degree in attracting private resources to the school. In general, it was the principal who took the lead in developing relationships and continuing communication efforts with the community and other private sponsors. In addition, the principal was often the sole school connection with the business and community sponsors. The majority of schools also enlisted PTAs and LEFs to attract private support. PTAs raised private monetary support through a variety of fundraisers and other activities and were key players in raising in-kind, volunteer types of support. *While seven of the schools cited the existence of a district LEF, only one school saw the LEF as a significant player in attracting private support.* For most of the schools, the LEF played a periphery role—getting uniforms donated for needy students or providing small teacher grants. While schools often had a LEF and either a booster club, PTA or PTO operating at the same time, none of the schools we visited had a PTA, PTO and booster club operating together. The schools that had a PTO or booster club instead of a PTA generally said that they formed these organizations to avoid paying fees to the national PTA organization.

While a number of schools had school-site/leadership councils, these groups generally did not directly raise private support. Instead, they often helped formulate school priorities and provided guidance to parents or principals approaching private sponsors. In addition, school-site/leadership councils often directed the allocation of private support, based on developed priorities, once the funds reached the school.

Four of the schools reported receiving help from district staff to attract private support. These schools reported that the district let them know about available grants and made a grant writer available to them. In addition, the districts referred potential private givers to their schools.

District Level

Each of the districts had some level of district staff responsible for private giving. Three of the districts had one or more full-time positions devoted to attracting and maintaining private support while the rest of the districts included these tasks as just part of a staff member's job description. The district interviewees generally stated that the district staff played a variety of roles in helping schools attract private support—e.g. organizing special events, establishing school-business partnerships, or providing grant writing assistance. However, *the schools were generally not well-informed about district activities*. While all of the districts cited that they had district staff devoted to attracting private support and their various activities that affected the schools, only four of the ten schools cited any district role.

In our sample, *the LEFs had closer connections with the districts than with the schools*. Four of the six districts reported that the LEF played a role in attracting private support to the district. The districts also reported a fuller understanding of the range of activities undertaken by the foundations.[40] In addition, when district staff were asked about the types of private support collected by the

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[40] Information on the range of activities undertaken by the LEFs was collected through LEF phone interviews, as documented in Appendix D.

district, private support raised by the LEF was often included in the discussions. The schools clearly distinguished between private support raised by the school and private support from the LEFs.

Only, three of our sample district respondents stated that the superintendent played a role in raising private support. This is likely because we spoke directly with the superintendent in only two of the districts that we visited. In the other districts, we relied on the staff independently telling us that the superintendent had a role in attracting private support. If we had prompted the staff about the role of the superintendent or if we had spoken directly with the superintendent, this number would likely have been higher.

One school district had a formal partnership between the school district, business leaders, community groups, city officials, and local school supporters. The partnership members took an active role in career programs and encouraged the community to get involved by volunteering their time in job-shadowing programs, career days, and teaching mini-courses. The partnership had an advisory committee that included the more active members of the community and the district. One role of the advisory committee was to serve as "ambassadors" to the community, promoting involvement in these programs.

Mechanisms to Attract Private Resources

Our interviews with school and district personnel revealed a number of mechanisms used by both individuals and organizations to attract private support. **Table 4.4** lists these mechanisms, which were used to attract both monetary and in-kind private support in our school and district sample.

Table 4.4
Mechanisms to Attract Private Resources in School and District Sample

Schools (10)	Districts (6)
Personal Contacts/Relationship Building (9)	Personal Contacts/Relationship Building (6)
Product Sales (9)	Grant Applications (4)
Special Events (7)	School-Business Partnerships (4)
Grant Applications (4)	Special Events (3)
Mail Solicitation (4)	High Profile Speakers/Hosts (2)
School-Business Partnerships (4)	Mail Solicitation (1)
Participation in Scrip or Website Programs (3)	Product Sales (1)
Phone Solicitation (1)	Professional Fundraiser (1)
Professional Fundraiser (1)	K-12—Higher Education Partnerships (1)
Local Newspaper Advertising (1)	Local and National Presentations (1)
Peer Pressure (1)	Link with City Planning (1)
K-12—Higher Education Partnerships (0)	Local Newspaper Advertising (0)
Local and National Presentations (0)	Participation in Scrip or Website Programs (0)
High Profile Speakers/Hosts (0)	Phone Solicitation (0)
Link with City Planning (0)	Peer Pressure (0)

School Level

Schools rely most heavily on personal contacts/relationship building, product sales, and special events to attract private resources. In fact, *almost every principal emphasized the importance of personal contacts and relationship building in attracting private resources.* While all principals relied on personal contacts and relationship building to some extent, some principals spent more time and energy on this than others. One principal, for example, called parents and provided a personal thank you for their contributions. Another principal, who had been in the same school for almost 20 years, attributed her success in this area to longevity in her position. She explained that longevity leads to stronger and more extensive networks, which increases the likelihood of attracting resources.

The importance of product sales was also mentioned by almost every principal. Product sales ran the gamut from the operation of student stores to sales of baked goods, candy and wrapping paper. The schools

also sponsored special events designed to attract private monetary support, such as auctions, raffles, swap meets, and carnivals. In addition, schools often organized special events that garnered in-kind support, such as school beautification days, career days, and principal-for-a-day programs.

A smaller number of the schools we visited relied on mail solicitations, grant applications, and school-business partnerships. But in those schools they were key components of their strategy to attract private resources. For example, one school sent out a letter at the beginning of the school year asking each parent for monetary support, suggesting a particular dollar amount. Successful grant applications often helped schools support after-school programs, computers and other forms of technology, and in one case, an additional administrative staff member. While the above forms of private giving tended to be one-time donations, school-business partnerships often afforded schools a more-steady source of support. Typically business partners offered a variety of in-kind support, such as student mentoring and tutoring, but partnerships that were maintained over time sometimes led to monetary support for the school as well. Interestingly, *principals emphasized that the in-kind support was more valuable to them than the monetary support.*

Some principals also mentioned other mechanisms for generating support. In one affluent community, for example, the PTA distributed a letter to parents that listed each individual's level of giving. The PTA chose to do this after hearing some parents say that they did not know that the school needed their support. So, the letter served two purposes--it helped to get the word out that the school needed support and it used an element of peer pressure to motivate parents to contribute.

District Level

The school districts in our sample used a variety of mechanisms to attract private support, which was in turn allocated to individual schools. As with principals, *superintendents and district-level staff also relied heavily on personal contacts and relationship building to*

attract private resources, although they tended to focus their efforts on different types of private givers than schools did. Both schools and districts made efforts to develop and nurture relationships with local businesses. Schools, however, also focused on parents, while districts were more likely to pursue relationships with corporations.

The next most prevalent strategies at the district level were grant applications and development of school-business partnerships. Grant writing as a mechanism of obtaining private resources appears to be more of a district-level activity than a school-level strategy, in large part because districts are more likely to have enough resources to support having a grant writer on staff. Several of our sample districts employ grant writers who both pursue grants for the district and, as noted, support school level grant writing. Some examples of successful grant awards include Hewlett-Packard's Telementors Program, which provides teachers with laptop computers and Internet access. Another district mentioned that the National Education Association had awarded grants to several individual teachers in the district.

Among our sample of districts and schools, *school-business partnerships were one of the most prevalent mechanisms of attracting private support*. In particular, the most common form of school-business partnerships followed the adopt-a-school model through which a local business partnered with a particular school and provided multiple forms of support. These partnerships ranged from quite formalized programs with well-known businesses, often organized or coordinated by the district, to smaller scale, informal associations between a school and a local store. One school in our study was in their second year of a partnership with the FBI, which involved agents coming to the school once a month to mentor students. One of the districts in our sample partnered with Intel to design and set up its computing network, while another received a substantial amount of money from a major gas company for educational resources related to math and science. In contrast to these partnerships with high profile corporations, many of the schools in our sample had multiple informal relationships with local business owners. For example, a local landscaping company helped with school

beatification days, and a local hardware store donated supplies for school repairs.

Although less prevalent at the district than the school level, districts also host special events. For example, the districts often organize "principal-for-a-day" events, which are quite popular. One district organized a principal-for-a-day event with all schools getting at least one guest business "principal" at their school. At the end of the day, the district brought the participants together to discuss their experiences and got very positive feedback. In addition, districts may host special events to provide support to schools in their efforts to attract private support. For example, several districts hosted breakfasts to recognize the local supporters to the schools. This helped the schools attract local support both by showing the district was behind them and by providing a means to recognize the local business at a public event.

Although the districts actively raised support, *the principals that we visited consistently reported that the schools themselves raise a greater share of their private resources than they receive from the districts.* This may be due, in part, to districts allocating funds across a large number of schools. In addition, schools may receive relatively large in-kind, particularly volunteer, contributions.

Types of Private Giving

Tables 4.5a-c present the types of private volunteer time, material donations, and monetary giving received by schools and districts in our sample. While it is difficult to quantify the amount of in-kind material and volunteer time donations, respondents were able to estimate the relative amounts of those contributions in comparison to monetary contributions.

Table 4.5a
Types of Private Giving in School and District Sample:
IN-KIND (Volunteer Time)

Schools (10)	Districts (6)
IN-KIND: *Volunteer Time*: Enrichment Programs (5) Student Tutoring (5) Classroom Support (4) School Facilities (4) Administrative (2) School/District Promotion (2) Student Mentoring (2) After-School Programs (1) Family Services (1) Staff Training (1) Student Support Services (1) Student Instruction (0)	IN-KIND: *Volunteer Time*: Family Services (3) After-School Programs (2) Enrichment Programs (2) School/District Promotion (2) Student Support Services (1) Staff Training (1) Student Tutoring (1) Administrative (0) Classroom Support (0) School Facilities (0) Student Instruction (0) Student Mentoring (0)

Table 4.5b
Types of Private Giving in School and District Sample:
IN-KIND (Material Donations)

Schools (10)	Districts (6)
IN-KIND: *Material Donations*: Supplies/Equipment (8) Instructional Materials (6) Technology (6) Awards/Gift Certificates (5) Student/Family Supplies (4) Food (2) Off-Site Facilities for Events (2)	IN-KIND: *Material Donations*: Technology (5) Supplies/Equipment (3) Instructional Materials (2) Off-Site Facilities for Events (2) Student/Family Supplies (1) Awards/Gift Certificates (0) Food (0)

Table 4.5c
Types of Private Giving in School and District Sample: MONETARY

Schools (10)	Districts (6)
MONETARY: Donation (9) Percentage of Sales (6) Membership Dues (1) Wills/Bequests (1) Leasing of Facilities and Services (0) Paid Endorsements/Advertising Revenue (0) Scholarships (0) User Fees (0)	MONETARY: Donation (6) Leasing of Facilities and Services (1) Membership Dues (0) Paid Endorsements/Advertising Revenue (0) Percentage of Sales (0) Scholarships (0) User Fees (0) Wills/Bequests (0)

School Level

No volunteer activity appears to dominate across the schools; different schools receive different kinds of volunteer support. One-half of the schools have student tutoring programs, often involving local business employees or community members coming into schools and reading one-on-one with students to improve their reading skills. One school attributed the success of their tutoring program to the fact that they provided training to the business volunteers. The volunteer tutors were asked to work with students who had fallen behind. When the school told the employees that they would train them to help these students, it added to their interest in volunteering and their enthusiasm for the program.

One-half of the schools also received volunteer help to staff enrichment programs. For example, a juvenile delinquency prevention center offered classes for parents and leadership programs for students in one school. At another school, a local art museum offered an art education program. Fewer than half of the schools reported receiving classroom support. This is somewhat surprising given that one would expect most schools to have some parents volunteering at some level in the classroom. Possibly, some principals overlooked this support as it is such an integral part of the operation of the school that they did not think to mention it as private giving. However, classroom support

was mentioned relatively more often than most of the other types of volunteer time options. Two of the schools had student mentor programs where students were connected with "buddies" or "personal pals" from the community. These pairs engaged in a variety of activities including exchanging letters/e-mails, spending lunchtime together, and students visiting their mentor's workplace. These mentoring relationships often began with very small commitments, such as monthly e-mails, and blossomed over time into stronger connections between the mentor and student.

The majority of schools received material donations of instructional materials, technology, supplies/equipment, and awards/gift certificates. Supplies and equipment ranged from copying machines to paper to books. Local businesses donated awards/gift certificates for various purposes—including student attendance or student performance and teacher recognition. Four schools received student/family supplies, which was most often school uniforms for students. Hotels donated space for two schools to hold meetings and local businesses provided food for events at two schools.

The vast majority of schools received some level of monetary donations from a variety of private givers. We will discuss the relative size of these donations across schools later in this chapter. Our interview respondents suggested that corporate and business donors generally began by providing in-kind support. Through the development of the relationship, some givers would eventually provide monetary support as well.

We found that *monetary donations were almost always targeted for a specific purpose or program.* Generally, schools first developed priorities, plans or goals and then approached private givers with specific proposals. Schools then engaged in dialogue with potential donors, trying to match donors with proposals that also met the donor's needs. Private monetary support, therefore, was not totally flexible in that it was given to support a specific program/goal. It was flexible money in the sense that the purpose was generally proposed by the school and refined through discussions with the sponsor. For example, one school located next to a major freeway wanted to build a wall to protect

the school from highway noise and pollution. This initial proposal was not supported by the business community. Through conversations with the local community, the school instead decided to plant trees to help separate the freeway from the school. Sponsors purchased individual trees and received recognition at a school ceremony and on a plaque next to the trees.

Schools also received monetary support through a variety of "percentage of sales" programs. Some businesses offered programs where a parent could register their credit card with the business and a percentage of their purchases was donated to their designated school. Schools also received a percentage of sales through scrip programs. Another example was the program sponsored by a large cereal manufacturer that allowed parents to send in cereal box tops to receive points for their schools. The points were turned into flexible money for the school. Schools described the total quantity of money gained from these "percentage of sales" programs as generally being very small, but nonetheless important in purchasing small extras for the schools. Money obtained through scrip or other "percentage of sales" programs was generally truly "flexible" in its use.

School principals had a difficult time quantifying the levels of both in-kind and monetary support, but particularly in-kind support. This is not surprising given the variety of private donors giving to a variety of entities at the schools. For example, parents alone provided a variety of in-kind support such as bringing supplies to their child's classroom, volunteering in the office, providing some administrative help to teachers, and helping plan and run fundraising events. *With that said, principals uniformly agreed that in-kind support well outweighs monetary support in quantity. In addition, they generally put greater value on the in-kind support (particularly volunteer support), than monetary support.* One principal also suggested that he could not reasonably be expected to be aware of all of the activities of the PTAs, PTOs, and booster clubs or the time parents in these organizations spend on product sales and special events. Similarly, it would be difficult for school staff to quantify the time that community members contribute to enrichment or after-school programs.

District Level

The sample districts generally attracted less volunteer time and material donations than the schools and concentrated more heavily on monetary donations. About one-half of the districts did, however, receive volunteer support for family services that were provided at the school level. Family services covered a number of areas. Several of the districts, for example, formed relationships with healthcare providers to establish health services on school campuses. Other districts received volunteer support to provide parenting classes or English language instruction to parents. In addition, about one-third of the districts attracted volunteer support for enrichment programs and after-school programs. In a few districts, individuals also volunteered by participating in district fundraisers.

Districts generally focused on pursuing monetary donations from larger givers than the schools in order to support larger-scale, district-wide programs. For example, one district received a donation of several hundred thousand dollars from a large philanthropic foundation to provide professional development for teachers and to develop programs to raise parental involvement in the schools. Another district received about $100,000 from a large corporation to help develop high school and middle school math and science departments and programs.

Neither districts nor schools obtained paid endorsements or advertising revenue and the majority of them explicitly stated that they oppose such revenue. One district stated that an Internet access provider offered 15 computers per junior and high school with more than 300 students. The offer included an exclusivity clause barring the district from using another Internet provider for 3 years. The district said no because of the exclusivity agreement. Another district will not let donors send home literature or flyers without district approval.

Use of Private Monetary Giving

Private monetary giving supports a wide range of activities that tend to fall into three main categories: current operations, technology, and capital improvements. As stated above, most monetary giving, except

for the generally small amount of funds coming from percentages of sales, tend to be targeted to particular functions or goals. **Table 4.6** presents the use of private monetary giving in our sample schools and districts.

Table 4.6
Use of Private Monetary Giving in School and District Sample

Schools (10)	Districts (6)
Current Operations:	Current Operations:
Curricular Enrichment Programs (9)	Curricular Enrichment Programs (5)
School Supplies/Equipment (6)	Instructional Materials (4)
Other Staff Salaries (5)	Professional Development (3)
Professional Development (3)	Athletics (2)
Instructional Materials (3)	Health Services (2)
Teacher Aide Positions (2)	Special Events (2)
Special Events (2)	Teacher Aide Positions (1)
Athletics (1)	Other Staff Salaries (1)
Health Services (1)	School Supplies/Equipment (1)
Student Transportation (0)	Student Supplies (1)
School Maintenance (0)	Parent Education Programs (1)
Student Supplies (0)	Early Childhood Education (1)
Promotion of School/Business	Student Transportation (0)
Partnerships (0)	School Maintenance (0)
Parent Education Programs (0)	Promotion of School/Business
Early Childhood Education (0)	Partnerships (0)
Classroom Teacher Positions (0)	Classroom Teacher Positions (0)
Salary Enhancement or stipends for	Salary Enhancement or stipends for
existing teachers (0)	existing teachers (0)
Technology:	Technology:
Computers/Software (2)	Computers/Software (5)
Capital Improvement:	Capital Improvement:
Building Enhancements (3)	Building Enhancements (1)
School Beautification (3)	Building Additions (0)
Furniture (1)	School Beautification (0)
Building Additions (0)	Heating/Air Conditioning (0)
Heating/Air Conditioning (0)	Sports Facilities (0)
Sports Facilities (0)	Playground Equipment (0)
Playground Equipment (0)	Electrical Wiring (0)
Electrical Wiring (0)	Furniture (0)

School Level

Schools used private monetary support most often on curricular enrichment programs, such as field trips and after school programs. The

majority of schools also used private dollars for school supplies/equipment and other staff salaries. Other staff included consultants to teach art or music classes and reading and mathematics specialists. None of the schools or districts used private donations to purchase classroom teacher positions. *Some school and district personnel stated that donations were too uncertain from year to year to commit to teaching positions.* Two of the schools that brought in considerable private support did hire teacher aides for their classrooms.

Whereas only 2 schools stated that they purchased computers/technology with private monies, a majority of school districts purchased technology with private support. One explanation of the differences is that decisions about technology tend to fall to a more central planning body. In addition, technology purchases may require larger donations that are more often received by districts than by individual schools.

Somewhat surprising is the relatively small number of schools that used private monetary support for professional development. The studies of LEFs cited in Appendix D suggest that professional development is a common use of private dollars raised by LEFs. Possibly, we did not see this in our sample because the LEFs were not key players in most of the schools and districts that we visited.

Three schools used private monetary support for building enhancement and for school beautification efforts. In terms of building enhancements, one school remodeled its auditorium and another school remodeled its library. In addition, one school purchased trees while another school had the school painted in efforts at school beautification.

District Level

Districts most often used privately donated money to support curricular enrichment programs, purchase instructional material, and support professional development. Curricular enrichment programs included the implementation of science, reading, and math programs, after school programs, and the funding of academic "decathlon" teams. A

majority of districts also used private monetary support to purchase computers/technology. A number of other programs, such as athletics, health services, and the financing of special events were supported, to a lesser extent, through monetary contributions from the community. When deciding how to allocate funds or resources to schools, district staff generally stated that they distribute the money where there is the greatest need.

Differences by Schools and Districts across Socioeconomic Status

We observed some differences in the nature of private giving in schools and school districts of varying levels of socioeconomic status. Socioeconomic status of school children's families may affect private giving for a variety of reasons. For example, parents in higher wealth communities can make larger monetary donations to their children's schools. On the other hand, poorer communities may be able to solicit more foundation or corporate giving that can be tied to socioeconomic conditions in the community. Further, middle and lower income communities may use a wide array of mechanisms to attract private giving while wealthier communities may focus on a few large events.

Effect of *School* Socioeconomic Status on Private Giving

Table 4.7 reveals patterns across the socioeconomic status of schools. In the table, schools are ranked from lowest to highest participation in the Federal Free and Reduced Lunch Program.[41] Participation ranged from 5 to 100 percent in our sample. School H had the smallest percent participation and School G had the largest percent participation. For each school in our sample, **Table 4.7** presents the private givers to the school, the entities that channel private resources to the school, the mechanisms they use to channel private resources, the types of private giving, and the use of private monetary support. Some items in **Table 4.7** are in bold type; the bold type is meant to emphasize that the school was particularly active in that type of private giving. For example, while all schools had parents who gave

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[41] This is a proxy for affluence--lower participation is an indicator of greater affluence and higher participation an indicator of lower affluence.

to the school, the degree of parental giving varied tremendously. At some schools a few parents spent a relatively small amount of time organizing a school fundraiser, but at other schools a great number of parents were actively involved in a variety of roles at the school—e.g., volunteering in classrooms, contributing to fundraisers, and participating in school planning.

Table 4.7
Patterns of Private Support in Schools
(schools are ranked from lowest to highest free & reduced lunch
participation)

School	Private Givers	School or District-Based Entity Channeling Private Resources	Mechanism to Attract Private Resources	Types of Private Giving	Use of Private Monetary Giving
School H	Community Members Corporations **Local Businesses Parents** Professional Associations	District Staff **LEF Principal PTA** School-Site/ Leadership Council	**Mail Solicitation** Scrip or Website Programs **Peer Pressure Personal Contacts/ Relationships** Product Sales Professional Fundraiser Special Events	<u>In-Kind:</u> Administrative Awards/Gift Certificates Classroom Support Enrichment Programs Off-Site Facilities for Events School/ District Promotion Student Tutoring Technology <u>Monetary:</u> **Donation** Membership Dues Percentage of Sales	Building Enhance-ment Computers/ Software Curricular Enrichment Instruct-ional Materials Other Staff Salaries Professional Develop-ment School Beautifi-cation School Supplies/ Equipment Teacher Aide Positions
School J	City Government **Parents**	LEF Principal PTA School-Site/ Leadership Council	**Mail Solicitation** Scrip or Website Programs Personal Contacts/ Relationships Phone Solicitation Special Events	<u>In-Kind:</u> Administrative Classroom Support Instructional Materials School Supplies/ Equipment School/ District Promotion Technology <u>Monetary:</u> **Donation** Percentage of Sales	Computers/ Software Curricular Enrichment Furniture Instruct-ional Materials Other Staff Salaries Professional Develop-ment School Supplies/ Equipment Teacher Aide Positions
School C	**Community Members** Local Businesses **Parents**	LEF Other School-Based Associat-ions Principal	Scrip or Website Programs Personal Contacts/ Relationships Product Sales	<u>In-Kind:</u> Classroom Support Instructional Materials School	Building Enhance-ment Instruct-ional Materials Special

		PTA School- Site/ Leadership Council	School- Business Partnerships Special Events	Facilities School Supplies/ Equipment Technology Monetary: Donation Percentage of Sales	Events
School I	Community- Based Organization Local Businesses Parents Students	LEF Principal PTA School- Site/ Leadership Council	Personal Contacts/ Relationships Product Sales Special Events	In-Kind: Awards/Gift Certificates Enrichment Programs Food Off-Site Facilities for Events School Facilities Student Tutoring Monetary: Donation	Curricular Enrichment Other Staff Salaries School Supplies/ Equipment
School B	Alumni **Community Members** Community- Based Organization Corporations Local Businesses Parents Philanthropic Foundations Professional Associations	District Staff LEF **Principal** PTA	Grant Applications **Personal Contacts/ Relationships** Product Sales School- Business Partnerships Special Events	In-Kind: Awards/Gift Certificates Enrichment Programs Instructional Materials School Facilities School Supplies/ Equipment Student Tutoring Student/Family Supplies Monetary: Donation	Athletics Building Enhance- ment Curricular Enrichment Other Staff Salaries School Beautifi- cation
School F	Advocacy Group Community- Based Organization Corporations **Local Businesses** Parents Students	**Booster Club** District Staff LEF Principal	Grant Applications Mail Solicitation **Personal Contacts/ Relationships** Product Sales School- Business Partnerships	In-Kind: Instructional Materials School Facilities School Supplies/ Equipment Student Mentoring Student Tutoring Student/Family Supplies	Curricular Enrichment School Beautifi- cation School Supplies/ Equipment

				Monetary: Donation Percentage of Sales	

School A	City
	  Government
	Community-
	  Based
	  Organization
	Corporations
	Local
	  Businesses
	Parents
	Philanthropic
	  Foundations
	Students
		Booster
		  Club
		Principal
			Grant
			  Applications
			Local
			  Newspaper
			  Advertising
			**Personal
			  Contacts/
			  Relationships**
			Product Sales
			School-
			  Business
			  Partnerships
			Special
			  Events
				In-Kind:
				
				Enrichment
				  Programs
				Instructional
				  Materials
				School
				  Supplies/
				  Equipment
				Student
				  Tutoring
				Student/Family
				  Supplies
				Technology
				
				Monetary:
				
				Donation
				Wills/Bequests
					Curricular
					  Enrichment
					Other Staff
					  Salaries

School E	Other Public
	  Agencies
	Parents
	Philanthropic
	  Foundations
		District
		  Staff
		Principal
		PTA
			Mail
			  Solicitation
			Personal
			  Contacts/
			  Relationships
			Product Sales
				In-Kind:
				
				Awards/Gift
				  Certificates
				School
				  Supplies/
				  Equipment
				Student
				  Mentoring
				Technology
				
				Monetary:
				
				Donation
					Curricular
					  Enrichment
					School
					  Supplies/
					  Equipment

School D	Community-
	  Based
	  Organization
	Corporations
	Local
	  Businesses
	Parents
		Principal
		PTA
		School-
		  Site/
		  Leadership
		  Council
			Product Sales
			Special Events
				In-Kind:
				
				Food
				School
				  Supplies/
				  Equipment
				Technology
				
				Monetary:
				
				Percentage of
				  Sales
					Curricular
					  Enrichment
					Special
					  Events

School G	Advocacy
	  Group
	City
	  Government
	Colleges/Univ
	  ersities
	**Community-
	  Based
	  Organization**
	Corporations
	**Local
	  Businesses**
	Parents
		LEF
		Principal
		PTO
		School-
		  Site/
		  Leadership
		  Council
			Grant
			  Applications
			Personal
			  Contacts/
			  Relationships
			Product Sales
				In-Kind:
				
				After-School
				  Programs
				Awards/Gift
				  Certificates
				Classroom
				  Support
				Enrichment
				  Programs
				Family
				  Services
				Instructional
					Curricular
					  Enrichment
					Health
					  Services
					Professional
					  Develop-
					  ment
					School
					  Supplies/
					  Equipment

	Professional Associations			Materials School Supplies/ Equipment Staff Training Student Support Services Student/Family Supplies Monetary: Donation Percentage of Sales	

The schools located in the highest socioeconomic communities had very strong parental support in absolute terms and relative to the other schools in the sample. At each of the schools, parents provided monetary as well as in-kind support, which included volunteering in classrooms and at school fundraisers.

Despite the greater level of parental support at schools in wealthier communities, some schools in poorer communities were also successful in raising private support, although they often needed to approach a wider array of private donors than did some of the wealthier schools. To some degree, the list of private givers to schools was longer at the lower socioeconomic schools because the schools could not as readily rely on parent support. In addition, school in poorer communities had some options for private giving that were not available in more affluent communities. Several interview respondents suggested that some donors focus their efforts on lower socioeconomic communities where they feel there is greater need for help. This seemed to be particularly true of philanthropic foundations, corporations and community-based organizations.

While higher socioeconomic schools in our sample relied on relatively few private givers, *higher socioeconomic schools generally relied on a relatively large number of mechanisms to attract private support from those private givers.* The two wealthiest schools in our sample used mail and/or phone solicitations to request monetary donations from parents while the rest of the schools did not. In addition, it is the wealthier communities that participate in scrip or

Website programs to receive private monetary support. It is not clear why the middle and lower socioeconomic schools in our sample do not participate in these programs. The poorer schools in our sample did not have strong parent associations and possibly such organizations are key to operating the programs. In addition, as these programs raise more money the more parents spend, some principals in the poorer communities stated that the programs did not provide enough funds in poorer communities to warrant the effort involved in participating.

Personal contacts and relationship building appears particularly important in the middle and lower socioeconomic communities as a mechanism to attract private support. These schools could not as readily rely on parental monetary and in-kind support as the schools in the wealthier communities. Instead, in order to attract private support, they were dependent on a dynamic principal who was interested in making connections in the community to attract and maintain private support.

The wealthier schools had a strong focus on direct monetary donations, particularly from parents. At the same time, even the wealthiest schools in our sample stated that private monetary contributions accounted for less than 5 percent of their total budget. Higher wealth schools also received sizable in-kind contributions from parents volunteering their time at the school. *Schools located in the middle and lower socioeconomic communities appeared to have at least as much in-kind private support as the wealthier communities, but the support came from different private givers, such as local businesses and community-based organizations.* It is difficult to get a sense of the relative size of the in-kind contributions as volunteer time is hard to measure. But the variety of private givers who gave their time to the schools was greater in the middle and lower socioeconomic communities.

The relatively large size of monetary donations to the two schools located in the wealthiest communities was apparent in the number and type of items they bought with the monetary donations. Both School H and School J had relatively long lists of items that they purchased with private monetary giving. In addition, they both used their private monetary donations to fund teacher aide positions in a significant

number of their classrooms. These schools hired part-time teacher aide positions (as opposed to salary positions that require benefits). Schools at all wealth levels consistently used private monetary giving for curricular enrichment programs. These included an arts curriculum, an environmental garden, a full-inclusion program for deaf students, and a variety of field trips. Monetary contributions were also used for other staff salaries across socioeconomic communities. These other salaries included a science consultant, noon supervisors, school nurses, and a reading specialist.

Effect of *District* Socioeconomic Status on Private Giving

The school districts in our sample ranged from about 6 percent to 97 percent participation in the free and reduced price lunch program. For each school district in our sample, **Table 4.8** documents private giving to the district with districts ranked from lowest to highest in terms of Free and Reduced Lunch participation. Again, some items are in bold type to show that the school district was particularly active in that type of private giving.

Table 4.8
Patterns of Private Support in Districts
(districts are ranked from lowest to highest free & reduced lunch
participation)

District	Private Givers	School or District-Based Entity Channeling Private Resources	Mechanism to Attract Private Resources	Types of Private Giving	Use of Private Monetary Giving
District E	Colleges/ Universities Community Members Community-Based Organizat- ions Corporations **Local Businesses** Other Public Agencies Parents **Philanthropic Foundations**	District Staff LEF	**Grant Application Personal Contacts/ Relation- ships** Product Sales **Special Events**	In-Kind: After-School Programs School/ District Promotion Technology Monetary: Donation	Athletics Building Enhancement Computers/ Software Curricular Enrichment Health Services Instructional Materials Other Staff Salaries School Supplies/ Equipment Special Events
District F	**City Government** Community Members Corporations Local Businesses Parents Philanthropic Foundations	District Staff LEF Superinten dent	**High Profile Speakers/ Hosts** Personal Contacts/ Relationship Professional Fundraiser	In-Kind: Off-Site Facilities for Events Supplies/ Equipment Technology Monetary: Donation	Computers/ Software Curricular Enrichment Early Childhood Education Health Services Instructional Materials Professional Development Teacher Aide Positions
District B	City Government Colleges/ Universi- ties Community-Based Organizatio ns Corporations **Local Businesses** Parents	**Advisory Board** District Staff LEF	Grant Applications Personal Contacts/ Relationship **School-Business Partnerships**	In-Kind: Enrichment Programs Instruc- tional Materials Supplies/ Equipment Technology Monetary: Donation	Athletics Curricular Enrichment Instructional Materials

District D	City Government Colleges/ Universi- ties Community Members Community- Based Organiza- tions Corporations **Local Businesses** Philanthropic Foundations Professional Association	**District Staff** LEF Superinten dent	Grant Applications **High Profile Speakers/ Hosts** K-12--Higher Education Partnerships **Link with City Planning** Local and National Presen- tations **Personal Contacts/ Relationship School- Business Partnerships Special Events**	In-Kind: Family Services Instruc- tional Materials School/ District Promotion Staff Training Student Support Services Student/ Family Supplies Monetary: Donation Leasing of Facilities and Services	Computers/ Software Curricular Enrichment Instructional Materials Parent Education Programs Professional Development Special Events
District A	Colleges/ Universi- ties Community Members Community- Based Organiza- tion Corporations Local Businesses Parents	District Staff LEF Superinten dent	Grant Applications Personal Contacts/ Relation- ships School- Business Partnerships	In-Kind: Family Services Off-Site Facilities for Events Supplies/ Equipment Technology Monetary: Donation	Computers/ Software Student Supplies
District C	**Corporations** Local Businesses	District Staff	Mail Solicitation Personal Contacts/ Relation- ships School- Business Partnerships Special Events	In-Kind: After- School Programs Enrichment Programs Family Services Student Tutoring Technology Monetary: Donation	Computers/ Software Curricular Enrichment Professional Development

Local businesses and corporations are consistent and significant private givers across school districts, regardless of the wealth of the district. As **Table 4.8** indicates, *local businesses were frequently mentioned as having a significant role in the more affluent districts,*

while corporations were mentioned as providing particularly active
support in the district with the lowest socioeconomic status. Some of
the district staff suggested that corporations often liked to focus
their efforts where they perceive the greatest need, which tends to be
in lower-income communities. For example, in District C, a large
corporation provides after-school math and science enrichment classes
for the local schools and another large corporation runs training
programs for parents with about 1,000 "graduates" from the program each
year.

Consistent with the literature, *local education foundations were*
found across the different wealth districts in our sample, but the two
highest income districts had particularly active LEFs. The LEF
representative that we spoke to in the less-wealthy community focused on
a particular, relatively small contribution to the schools—providing
school uniforms to low-income students. In contrast, the LEF in
District E was able to provide arts and music programs, computers and
science labs to the local schools.[42]

Regardless of income level, school districts rely on a variety of
mechanisms to attract private support. Most districts were particularly
active in one or more mechanisms to attract private support, but this
was not the case with the two lowest income districts in our sample.
These two relatively low-income districts had particular leadership
issues that likely held them back from attracting private support. In
particular, District A is located in a city where local government
politics negatively affected the district's relationships with the local
community. District D, on the other hand, relied on a wide variety of
mechanisms to attract private support. This appears to be a result of
two related factors particular to District D: 1) it is a large district
so is able to dedicate several staff members to attract and coordinate

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[42] The LEF in District E is closely intermingled with the school district.
LEF staff are located at the district office. As a result, the district
personnel we spoke with considered funds raised by the LEF to be funds raised
by the district office. This was not necessarily the case in the other
districts where the LEFs and the district staff acted more autonomously. The
use of private monetary giving in District E includes the use of private
monetary support raised by the LEF.

private giving to the district, and 2) the district superintendent considers private support one of his priorities.

Similar to the school level, the higher income districts relied most heavily on monetary donations, while the lower- and middle-income districts received a relatively large number of in-kind donations. The monetary contributions in the higher income districts were larger in part due to the local education foundations. We do not know the relative size of the in-kind donations, but the middle and lower income districts received a greater variety of in-kind contributions and emphasized this type of support. In addition, in-kind support in these districts resulted in significant programs offering student support services and family services.

The differences in the monetary contributions across school districts are apparent in the list of the uses of private monetary support. The two highest-income districts were able to support a wider array of purposes with monetary contributions. *The wealthier the district, the more programs, services, and materials purchased by the district with private monetary contributions.* Similar to the school level, districts across income levels devoted monetary contributions to curricular enrichment programs. These programs included health and nutrition classes, physical education programs, teacher forums, and family literacy programs.

Conclusion

This chapter offered insights into the questions of *who*, *how*, and *what* of private involvement in public education through a sample of districts and schools in Los Angeles County. The chapter also highlighted how the socioeconomic status of families, as measured by participation in the federal free and reduced lunch program, affected patterns of private support in our sample districts and schools. We found a vast array of givers to districts and schools, mechanisms used to attract support, types of private giving and uses of monetary support. We also found that socioeconomic status does affect the patterns of these dimensions across districts and schools

Key Findings:

- While parental involvement was the most common form of "giving" at the school level, other contributors also played a significant role in providing support to the schools. In particular, local business and corporations play key roles in local schools. Hoever, there was little interaction between colleges/universities and the public schools.

- At all of the sample schools, the principal was involved to some degree in attracting private resources to the school. In general, principals took the lead in developing relationships and continuing communication efforts with the community and other private sponsors. The role of the principal in raising private support was particularly significant in the lower socioeconomic communities.

- School principals had a difficult time quantifying the levels of both in-kind and monetary support, but particularly in-kind support. With that said, principals uniformly agreed that in-kind support well outweighs monetary support in quantity. In addition, they generally put greater value on the in-kind support (particularly volunteer support) than monetary support.

- Monetary donations were almost always targeted for a specific purpose or program.

- Private giving was generally short-term in focus, at least initially. This affected how schools decided to use private monetary support. Private monetary support most often was used for curricular enrichment programs, such as field trips and after school programs.

- Principals, superintendents and district-level staff consistently emphasized the importance of personal contacts and relationship building to attract private resources.

- Some differences existed between schools and districts in attracting private support. Overall, school districts tended to attract resources from larger and more formalized groups, such as corporations, local businesses, and colleges and

universities, as opposed to individuals and smaller groups and associations that the schools relied on.

- Most schools in our sample had very little interaction with the district LEF. Only one school saw the LEF as a significant player in attracting private support. The LEFs appeared to have closer connections with the districts than with the schools. Even at the district level, the LEFs were seen as one of many elements to raising private support.

- The schools were generally not well informed about district efforts to attract private support or district programs/staff to support schools in their own efforts.

- Principals consistently reported that the schools themselves raised a greater share of their private resources than they received from the districts.

- Wealthier schools and districts had a clear advantage in raising monetary contributions, particularly from parents, and tended to have more parent volunteer support. At the same time, some schools in lower income communities also had substantial private support, but from different sources. Lower income communities were not necessarily at a disadvantage with respect to the quantity of private support, but they had to engage in greater efforts to attract the support and had to cast a relatively broad net.

V. LESSONS LEARNED

With the support of the John Randolph and Dora Haynes Foundation, we set out to examine private support to public education through this pilot study. Out of this analysis, we are able to make recommendations for practitioners and policy makers, which we discuss below. These recommendations are not only broad strategies of raising private support, but also strategies for meeting specific challenges of raising private support for public education. In addition, we outline ways in which future research could be approached to expand our existing knowledge of private support to public education.

Broad Recommendations

1. *Maintain constant communication*: One of the most universal comments we heard related to the importance of constant communication with the community. Principals, district superintendents and other staff members noted the need for communication with parents, local businesses, corporate business partners, interested citizens, etc. This can be accomplished through various modes including phone calls, newsletters, and face-to-face conversations. The communication can be used to inform the community of special events, particular needs, or to offer thank yous for involvement with the district or school. As one principal suggested, every day you need to think about who you are talking to because each person brings resources.

2. *Make it a reciprocal relationship*: Both school and district officials noted the importance of creating a reciprocal relationship with business partners so that both parties feel they are benefiting from the relationship. Business partners need a compelling reason to be involved. Principals, superintendents, and other school staff members offered a number of arguments for outside involvement, including: an improved future labor force, increased publicity, better schools for the children of employees, and the intrinsic benefit of developing relationships with children.

In addition, successful schools and districts made sure that the community knew that they were valued and respected. The private givers were made to feel like partners instead of spectators in the school's or district's success. To do this, community members were pulled in on projects--they were involved in planning and invited to the school for various events. In addition, private givers were recognized for their involvement. Something as simple as a personal thank-you from the principal or students went a long way in sustaining donor relationships. In addition, several schools and districts had donor recognition events to honor those who gave resources to the schools.

3. *Get their foot in the door*: Several principals noted that another effective strategy was to find easy ways for community members to support a school in a modest way to get them introduced to the school. Once volunteers saw what was happening at the school and got to know the students, they often came back with more support. For example, one school established a buddy program where students initially corresponded monthly by mail with community members. These community members were then brought into the school for buddy breakfasts. Once the sponsors got to know the students and came into the school and saw the particular needs, they often got more involved in the school through reading programs and other volunteer efforts. Principal-for-a-day programs, reward recognition events and other school events can expose the community to the school in small ways and help foster future relationships.

4. *Make it appealing for people, business, and other organizations to get involved*: Districts and schools reported needing to be flexible and creative in their approaches to making involvement appealing to prospective donors. Most successful schools and districts presented a lot of ideas to businesses, parents, and other community members about how they could get involved, and were also open to alternative ideas and suggestions. The process of getting people involved with schools often required ongoing conversations and negotiations, and districts and schools needed to be receptive to community input. For example, in the case of the school trying to put up a separation between the school and highway, when the concrete wall idea was not supported the school

instead successfully garnered support for a "wall" of trees. The community found the trees more appealing and could make donations in individual's names.

Along the same lines, several people stated that successful schools make everyone feel welcome at the school. Principals specifically mentioned that PTAs should not be seen as an exclusive club. In addition, the times and formats of events and club meetings should take into consideration community members with different schedules and time constraints.

5. *Provide training for volunteers*: Another effective strategy used by some schools was to provide orientation and/or training to community members who were interested in volunteering in the school. For example, one school had a tutoring program where business and community volunteers came in to read with students. The students with whom the volunteers worked were often those students who had fallen behind and were therefore perceived to be more difficult to teach. The key to the school's program was that the school told potential volunteers that they would be trained to help the students, which added both to the volunteer's enthusiasm and willingness to participate and to their effectiveness as a tutor.

6. *Know your resource base*: Schools and districts discussed the different dimensions of their communities that affected how they approached fundraising. They suggested that knowing their resource base involved understanding their community and what it had to offer. So, while wealthier districts and schools may be able to target parents, other districts and schools may have to be more creative and "cast a wider net." We found that low income districts and schools could not always generate a great deal of monetary support from parents, but because of their perceived need, were generally more likely to receive grants and support from corporations and philanthropic organizations. In other cases, some districts had a strong local business community with a vested interest in being involved with the local schools, while other districts without a strong local business community had to look to other avenues for support. Small- to middle-size businesses can be more provincial in their outreach efforts, wanting to give to their local

communities. Large corporations may not be so provincial, and may be more willing to assist schools outside of their geographic area. District and school officials should evaluate their resource base and create a strategy that reflects the most likely sources of funding.

In addition, districts and schools had somewhat different target givers and different mechanisms for raising private support. Corporations and LEFs tended to be more involved at the district level while schools had greater interaction with individual parents and parent groups as well as with local businesses. Furthermore, districts generally received relatively large monetary contributions while schools were more effective in recruiting volunteer in-kind support.

7. *Private support can garner further private support*: Staff from several districts and schools noted that securing private support often helped them gain further private support. Raising private resources provided a precedent for a school or district when it asked others to donate. If a district or school can exhibit a commitment to raising private support by receiving grants, developing local business partners or building relationships with parents, other givers may be interested in giving as well. Such support suggests that the school or district has programs worthy of private support and that private contributions will be well used. It is important for schools and districts to find ways to get the word out about their private support, to take advantage of leveraging potential.

Strategies for meeting the challenges of raising private support

Our sample schools and districts faced some challenges to developing and maintaining private support that are particularly difficult to overcome. Below, we highlight some of these challenges and examples of how schools and districts overcame them.

1. *Time*: At all of the sample schools, most of the responsibility for raising private support rested with the principals. Principals found it difficult to find the necessary time to develop plans for obtaining private support and to build relationships in the community. One principal addressed this problem by pursuing a grant to pay the salary of a Community Liaison. While the principal still initiated most

of the external relationships and had oversight over all of the fundraising activities, the Community Liaison handled much of the day-to-day communication and helped sustain the efforts over time.

2. *Turnover/mobility:* One of the challenges districts and schools consistently faced was turnover of key district or school staff and the turnover of key contacts at businesses. Most of our interviewees had relatively short tenures at their current positions--for instance, several of the principals had been at the school for only two or three years. Many interviewees suggested that longevity at a position is a tremendous advantage in developing and maintaining relationships with parents, local businesses, corporations, and the community at large, so those who had not been around long felt at a disadvantage. It often takes a tremendous amount of effort to initially build relationships or to step into relationships that have been built by one's predecessor. It was not clear the extent to which programs continued after a principal or superintendent left. One way to address this issue was to get more than just one person involved with building relationships with the community. This can minimize the burden created by turnover.

In addition, personnel at foundations and corporations can also turnover, which makes it difficult to build relationships. The principal or superintendent's connection is generally with a specific individual at a company, not the corporation at large. So, when people change jobs, that connection can disappear, sometimes without notice. A staff member in a district with numerous business partnerships suggested that contracts can be written to formalize the relationship, or that by getting a number of people involved from a particular business the more likely the relationship will survive any one person's departure.

3. *Mentality of short-term support:* In almost every case, the district and school staff noted that donations and in-kind gifts were seen by the donor as short-term and not part of an ongoing program. While the acquisition of this short-term support is seen as an asset, and can lead to longer-term support, it can also require a big investment of school and staff time without an equivalent payoff. Once again, a developing a "contract" with donors could create a longer-term perspective.

4. *Knowledge on how to attract private support*: Several principals reported a lack of knowledge about how to raise private support and did not know how to gain that knowledge. Two principals in particular avoided developing relationships with potential local business and community donors because they did not feel comfortable in that role. Others reported learning the process through "trial and error" which may ultimately lead to frustration and negative experiences for both the donor and the recipient. Several districts addressed this problem by making the district grant writer available to schools within the district--both to assist with identifying and actually applying for grants. Also, the development of education foundations can potentially address this problem--foundation staff dedicate their time towards fundraising, so that principals and district staff can focus on other issues.

5. *District/School communication*: Schools seemed to have limited knowledge of services or programs available from the district related to raising private support. In several cases, a district told us about its principal-for-a-day program, adopt-a-school program, or staff members devoted to helping attract private support, but the schools seemed to have no knowledge of these programs or staff. Poor communication between districts and schools can limit a school's ability to use available district support for attracting private resources. The communication problem was successfully addressed by one district that hosts monthly meetings with all of the school principals in the district. The LEF Director also attends those meetings, as do PTA presidents. In this way, everyone stays informed about school- and district-level fundraising efforts.

6. *Donor fatigue*: District staff and principals lamented that there can be a lot of competition among schools and fundraising organizations resulting in the same businesses in a given community being asked for help by multiple sources. In addition, schools tended to operate independently in raising support. This meant that schools often did not know what other schools were doing in terms of attracting private support. In addition, schools and districts often lacked effective communication to help them avoid this overlap. The monthly meetings

mentioned previously not only facilitated internal communication, but also helped ensure that multiple parties were not approaching the same donors. Also, one of the main priorities of most LEFs was to develop a system-level approach to fundraising. This included coordinating solicitations to avoid overlap and having staff dedicated to tracking donor's past contributions and interest in making future contributions.

7. *Fear of commercialization*: Many district and school staff members noted that they were concerned about the possibility of inappropriate involvement of businesses within the schools. For this reason, most districts and schools avoided exclusivity contracts. As was noted in the Literature Review section, Coca-Cola is backing away from exclusivity contracts with its vending machine operations in the schools, and other corporations may follow Coke's lead.

Summary

In this study, we examined the existing literature, interviewed principals, superintendents, district personnel, and LEF representatives to gain a better understanding of private support in public education. The issue of private resources in public education has been virtually unstudied. There are no systematic national data on the extent of private giving, how it varies across schools, the strategies that encourage giving, or what the additional resources are used for. What little research has been conducted has focused mainly on monetary donations and on Local Education Foundations. As our pilot study has suggested there are in fact a very wide array of types of giving, both monetary and in kind, that provide additional resources for public schools. Through our analysis, we are able to provide a description of the flow of giving from the donors to the ultimate use by the schools and districts. In addition, a number of policy implications can be drawn from our analysis.

At the outset we noted that policymakers, researchers, and the general public have raised concerns over the possible inequities created by private contributions. After decades of judicial and legislative action designed to equalize public spending across districts and (to a lesser extent) schools, could be circumvented by private resources - in other words, wealthier communities prohibited from raising additional public dollars instead turn to other sources of support. Unfortunately there are no data to determine if such a trend has indeed occurred. However, our research does not suggest that resource inequities, taking

in-kind and monetary support together, *necessarily* result from private support. While parental support is clearly greater at the high-income schools, our research also suggests that low-income schools may have opportunities that high-income schools do not have to raise additional resources. They may have access to foundations or corporations that are attempting to target their giving efforts at needy communities. Having said this, it is undoubtedly more difficult to generate additional support in low-income areas. The disparity in parental involvement is a particularly difficult issue for policymakers to address since discouraging parental involvement at high-income schools would be counterproductive. But the constraints facing many low-income parents, mean that it is often difficult to increase parental involvement. Clearly, one essential element in garnering parental and community involvement in low-income schools is to have a dedicated and vibrant principal. Therefore, anything that state and district officials can do to increase the flow and placement of talented administrators into low income schools is likely to lead to greater community involvement and to raising additional private resources.

In addition policymakers and educators may want to explore. For instance, state governments, counties, or districts could examine the possibility of providing training in effective strategies for raising private support. This may include convening principals, superintendents and other school and district representatives together for formal training sessions provided by consultants and other experts. These conferences could also serve the purpose of information sharing. School and district representatives could share strategies that have and have not been effective. Undoubtedly some of this already takes place formally, but requiring principals and other educators to focus on innovative and successful strategies – as well as learning about failed ones – may minimize the likelihood of wasting precious time and effort on ventures that do not have a high probability of success.

Other policies that could be considered include incentive programs. The state along with districts could create incentives for parents to get involved with their schools and incentives for schools to do more outreach. For instance, in low-income areas, the state could provide funds to actually pay parents small sums of money to come in and provide "volunteer time." Matching funds could also be provided to schools for raising private funds. However, policymakers have to be aware of the inequities these policies may create. Ultimately, policymakers could target these policies to schools with the "greatest need." The political feasibility of such measures is likely to be complex. Wealthier parents may not want additional benefits given to poorer schools. In addition,

many voters would view such a scheme as a lack of commitment to public schools.

Finally, state and local policymakers could consider structural investments, such as phones in every classroom, to improve communication with parents and the community at large. By having immediate access to teachers, more interaction could occur between teachers and parents that could lead to greater involvement of parents.

The above suggestions are a small set of possible policies that could be considered. Obviously, with further thought and deliberation, state and local policymakers may be able to develop a larger set of specific policies that would leverage private support for public schools.

Future Research

This analysis represents a tremendous step forward in our knowledge of relationships between communities and public schools. However, we can continue to build on this knowledge with future research.

First and foremost, future research should include a larger sample of schools. A larger sample of schools could provide a more representative sample and allow for statistical analysis of differences across schools and communities. A larger sample would also allow for an examination across a number of geographic areas beyond Los Angeles County. Patterns of giving and uses of gifts may vary across different geographic areas that may bring greater insights into the range of relationships between communities and public schools.

Second, future research could include interviews with donors. In doing so, greater insight might be provided as to why people and organizations give. It may also provide insights to why businesses and organizations choose certain schools to support.

Third, future research could have a greater emphasis on business partnerships. This would provide more insights into how they are started and how these relationships mature over time.

Fourth, and finally, a very ambitious research could estimate the value of giving, both monetary and in-kind. To do so, we could examine IRS data as well as have schools and districts track volunteer giving over a specified time frame.

While our analysis has summarized major themes of private support of public schools in Los Angeles County, future research could build upon this research in answering questions of why people and organizations give, how much they give, and if there are statistical differences across different types of schools and communities.

Appendix

A. SCHOOL PRINCIPAL INTERVIEW PROTOCOL

I. School Private Support

1. How has the role of private support—in-kind and monetary-- changed over time in this school, if at all? What are the impetuses for the changes?

2. What is the most important factor for a school to raise private support (e.g. personnel, active parents, thriving business community, etc)?

3. What is your role in attracting private support? How do you attract private resources to your school?

4. What organizations, if any, operate at your school to attract private support? (probe: pta, pto, booster club, LEF, school council, other)?

5. What are the roles of the various organizations? How do the various organizations interact with each other? To what extent do the various organizations complement or compete with each other?

6. What mechanisms do the different organizations use to attract private resources? (probe: school fundraisers, grants, mailings, personal contacts, phone solicitation, professional fundraiser, other). How do the mechanisms differ for different organizations?

7. If your district has a foundation, how does the school interact with the foundation?

8. Are there specific individuals within or outside of these organizations who are particularly involved in attracting private support to your school (e.g. particular parent, teacher)? Can we contact them?

9. Who are the private givers to your school? (Probe: parents, philanthropic foundations, local businesses, religious organizations, colleges, corporations, other). How long has each of the givers been involved with your school?

9a. What is the local business environment? Are there local companies that are particularly active givers? Do local businesses tend to support a single school or more than one school in a neighborhood?

10. What types of private support does your school receive?

What in-kind support? (Probe: volunteer time, material donations, technical assistance, etc.)

What monetary support? (Probe: donations, percentage of sales, paid endorsements, user fees, leasing of facilities and services, etc.)

11. What is the quantity (or relative ranking) of the different types of in-kind and monetary private support?

12. What share of the school's budget is attributed to private monetary support? In-kind support?

13. Does private giving tend to be discretionary or targeted? If discretionary, what percentage of the school's <u>flexible</u> budget is attributed to private monetary support?

14. Do private revenues tend to be more or less restricted in their use than public resources? What types of restrictions exist on the use of private resources (legal, targeted, etc.)?

15. To what extent are private resources given for short-term versus long-term uses? Has the emphasis changed over time? Are programs generally refunded?

16. Once private resources reach your school, how are decisions made about how they are allocated?

17. At what levels are they allocated (e.g. school-wide improvements, classroom, teacher, student)?

18. For what purposes are the private resources used? (Probe: professional development, salaries, materials & supplies, curriculum enhancement programs, athletics, school maintenance, scholarships, other)

19. To what extent are private resources used to fund a lot of small projects at the school versus a few large projects? Has the emphasis changed over time?

20. What are the legal facilitators or hindrances to the collection and use of private support?

21. What are the downsides to collecting private resources? What kinds of equity issues, if any, are raised by the collection of private support? Are there circumstances under which you have, or would have to, refuse a contribution?

22. To what extent do private resources leverage additional public and private support? To what extent do private resources crowd out public support?

22a. For schools that receive categorical support, such as Title 1 funds, ask them whether the collection of categorical aid influences efforts to collect private resources.

II. District Role

23. What support, if any, does your district provide your school in its efforts to raise private support?

24. What is the relative quantity of private resources you receive from district efforts versus from school efforts to obtain private support?

25. Do you act independently or do you work with other schools in your efforts to raise private support?

B. DISTRICT INTERVIEW PROTOCOL

I. Private Support in District

1. How does your district attract private resources? What are the different fund-raising organizations?

2. Does your district have a designated person responsible for private giving?

3. Has your district used a professional fund-raising organization to raise private support? If yes, what is the organization?

4. If your district has a foundation, how does the district interact with the foundation?

5. Who are the private givers to the district? (e.g., parents, philanthropic foundations, local businesses, religious organizations, colleges, corporations, etc.)

5a. What is the local business environment? Are there local companies that are particularly active givers?

6. What private support does your district receive?

In-kind (volunteer time, material donations, school-to-work, etc.)

Monetary (donation, percentage of sales, paid endorsements, user fees, leasing of facilities and services, etc.)

7. What is the quantity (or relative ranking) of the different types of in-kind and monetary private support?

8. What share of the district budget is attributed to private monetary support? In-kind support?

9. What percentage of the district's <u>flexible</u> budget is attributed to private monetary support?

10. How are private resources (donations, training, volunteer time, funds, etc.) allocated to schools in the district?

11. At what levels does your district allocate private resources (school, classroom, teacher, student)

12. For what purposes are the private resources used?

13. To what extent are private resources given for short-term versus long-term uses?

14.   Do private revenues tend to be more or less restricted in their use than public resources? What types of restrictions exist on the use of private resources (legal, targeted, etc.)?

15.   What are the legal facilitators or hindrances to the collection and use of private support?

16.   What are the downsides to collecting private resources? What kinds of equity issues, if any, are raised by the collection of private support? Are there circumstances under which you have, or would have to, refuse a contribution?

17. To what extent do private resources leverage additional public and private support? To what extent do private resources crowd out public support?

18. How has the role of private support in this district changed over time, if at all? What are the impetuses for the changes?

18a. We're particularly interested in the political context and whether that facilitates or impedes your efforts?

II.   Schools in District

19.   What makes individual schools more or less successful in bringing in private resources?

20.   How does private giving look different at the school level versus the district level (different givers, different focus on in-kind vs. monetary, etc.)?

21.   What is the relative quantity of private resources received directly by the district versus directly by the individual schools?

22.   Which schools in your district are particularly successful in attracting private support (including monetary and in-kind support)? Is it okay for us to contact them?

C.   LOCAL EDUCATION FOUNDATION INTERVIEW PROTOCOL

1.   When was the foundation established? Who initiated the establishment of the foundation?

2.   Did the foundation receive any outside advice or assistance when it was established (National LEF headquarters, consultants, etc.)?

3.   What was the impetus for establishing the foundation?

4.   What are the goals and mission of the foundation?

5.   Have the functions of the foundation changed over time? If so, in what ways?

6.   Does the foundation have any full-time or part-time employees?

7.   What methods or techniques does the foundation use to raise resources for the district?

8.   What types of resources are received by the foundation and from what givers (probe: business, parents, philanthropic foundations, etc.)? To what extent does the foundation receive in-kind versus monetary private support?

9.   How does the foundation interact with individual schools and, specifically, organizations attracting private support at the school level? To what extent do the various organizations complement or compete with each other?

9a. How does the foundation interact with the school district and, specifically, with district efforts to raise private support?

10.   Can you quantify the private resources the foundation has received?

11. How are decisions made about spending foundation funds? How are foundation funds   allocated across schools in the district?

12.   What kinds of projects are funded by the foundation?

13.   What factors/features influence the success of your foundation? And would those apply to LEF's more generally? Probe for SES of the community, business environment, political environment, etc.

14.   Does the LEF belong to a national level organization? If so, what kind of support does the organization provide? What should it provide that it doesn't?

D. LOCAL EDUCATION FOUNDATION RESULTS

Local Education Foundations (LEFs) are garnering greater attention, both in the popular press and the research literature. In this section we review the literature as well as our findings from phone interviews with LEF representatives associated with 3 of the districts in our sample (as well as from the district and school interviews). The research literature examines the growth of LEFs, where they are likely to be formed and the level of support they raise. The emerging view is that the number of LEFs is growing, they are providing districts with more flexible funding, and they may be leading to greater inequities between wealthy and poor districts (although it has been argued that LEFs can actually help close gaps as well). Our interviews focused more on how LEFs raise money and the processes by which they allocate those funds.

Literature Review

Growth In LEFs

There is consensus that the number of LEFs is growing throughout the country, particularly in California. Merz and Frankel (1995) conducted a multistate analysis of foundation activity based on a survey of school districts and interviews with people involved with foundations. The study found that the vast majority of foundations have been formed since 1989, with California having the longest history. K. Clay et. al., (1992; 1993) documented the growth in LEFs in California; between 1992 and 1993 the number of LEF's increased from 66 to 211. Brunner and Sonstelie (1997) used IRS data and required registration of nonprofits operating in California and found widespread use of educational foundations in the state, with more than 500 such foundations in operation in 1995 in 1,001 school districts. Addonizio (1999) studied the growth of LEFs in Michigan, and found that the number increased from 5 in 1981 to 153 in 1997.

Amount Raised

There is less consensus regarding the effectiveness of LEFs in raising funds. Merz and Frankel (1995) found that while amounts raised through foundations ranged from $200 to $1 million, 20 percent of foundations reported raising between $10,000 and $40,000 in 1992-93. Only 7 percent raised $100,000 or more in 1992-93. Studies by McLoughlin (1988) and Brown and Rinehart (1991) suggest that most LEFs raise small amounts of money and are therefore more effective as public relations tools than as revenue raising tools. Brunner and Sonstelie's research in California showed that LEFs raise more revenue for schools than do other types of non-profit organizations supporting K-12 education. LEFs raised $28.9 million, followed by PTAs at $27.7 million, and booster clubs at $19.3 million. Recent analysis published in the Los Angeles Times (Fox, 2001) profiled the amounts raised by several Los Angeles area LEFs in 1998. The amounts ranged from a low of $13,960 by the Wilsona/Lake Los Angeles Foundation for Student Excellence to a high of $5,258,199 by the Los Angeles Educational Partnership.

Merz and Frankel, Brunner and Sonstelie, and Addonizio all conclude that foundation contributions are a small percentage of revenue in all but a handful of schools, raising very small amounts of money compared to school district budgets and are, therefore, having little effect on the per-pupil amounts available in districts.[43] Research by Crampton and Bauman (1998) led to a different conclusion. Based on case study methods using six schools across three Colorado districts with distinct demographic profiles, their research suggests that entrepreneurship did have a disequalizing impact on intro-and inter-district fiscal equity.

Where Formed

Merz and Frankel found that LEFs have been successfully formed in a range of communities. And, while affluent communities are not much more likely to have LEFs, their LEFs are likely to raise relatively more

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[43] In California, parents have argued in court, so far unsuccessfully, that the local education foundations being set up in some districts are a way around court equity decisions.

money.[44]   Addonizio found that districts with educational foundations, on average, enjoy higher unrestricted public revenue per pupil, greater enrollments, higher household income, and high student achievement than their non-foundation counterparts.

The Brunner and Sonstelie research in California suggests that the percentage of districts with nonprofits reporting revenues increases as average family income increases, as does average revenue per pupil.[45] For example, in districts with average family incomes between $0 and $29,999, only 5.7 percent of the districts contained nonprofit organization that raised over $25,000 in gross revenues. Furthermore, in these 8 districts, total voluntary support for public education amounted to only $9 per student. In contrast, of districts with average family incomes of $70,000 or more, 79 percent contained nonprofit organizations that raised over $25,000, and those organizations averaged over $240 per student.

The recent research reported in the Los Angeles Times (Fox, 2001) argued that foundations in wealthier districts in the Los Angeles region raise much more money per capita than foundations in less wealthy districts. The San Marino Schools Foundation (in a very affluent area) for example, raised the equivalent of $381.09 per pupil in 1998. At the other end of the spectrum was the Long Beach Education Foundation which only raised the equivalent of $1.06 per student; Long Beach is much less affluent than San Marino.

Case Studies

As we hinted at earlier, our study took a different approach than the existing research in the field. Our primary purpose was to understand who gives to local education foundations, through what

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[44] A high number of professionals in a community almost doubled the average amount raised: $46,260 compared to other districts who raised an average of $25,280. The presence or absence of a high number of retired people or families with no children did not affect the average amount raised.

[45] Merz and Frankel found that the number of nonprofits did not differ much in different economic communities. This difference in results may be due to Brunner and Sonstelie counting only those foundations with revenues greater than $25,000, while Merz and Frankel include all foundations. There may be some foundations in lower economic communities that are not raising enough revenue to appear in Brunner and Sonstelie's analyses.

mechanisms, the type of giving, and the end result of the giving (these questions mirror the primary research questions for the districts and schools).

Who Gives?

The LEFs resemble the districts and schools in that their primary donors are parents and businesses. The respondents also emphasized the importance of community members, specifically those individuals who serve on the foundation boards. These individuals can wear many hats by being actual donors (of money or in-kind services) or working as foundation staff (planning events and contacting potential donors) or serving in an advisory role (determining how money should be spent).

How do They Give?

The three methods mentioned by all the respondents were mail solicitation/membership drive, personal contacts, and special events. All of these techniques were also noted by at least some, if not all, of the schools and districts. The mail solicitations are typically targeted towards parents and local businesses, particularly if they have given in the past. The LEF representatives were also community members and business people, and utilized their connections in trying to build support for the foundation and district. LEFs helped host a number of fundraising events, ranging from wine auctions to celebrity performances.

What do They Give?

All three respondents noted that the majority, if not all of their gifts, are monetary donations, which is quite different from the schools and districts that are more likely to receive in-kind contributions. In terms of in-kind donations, all three LEFs greatly valued volunteer time from those serving on Advisory Boards (and resource boards). None of the three mentioned any in-kind material donations.

How are the Resources Allocated?

All three LEFs reported having formal grant processes and grant committees for overseeing the distribution of funds to the schools. Typically these were Request For Proposals that individual teachers could apply for. These "mini-grants" were generally open, in that teachers could propose a range of ideas for funding and the LEFs would try to award grants to teachers across the district. Two respondents mentioned that their goal is to serve as many students and schools as possible. One LEF focused on supporting the arts, while another's top priority was providing uniforms, and the allocation of funds was more flexible once those needs had been met. LEFs also reported having dialogue with the district and/or individual schools regarding their funding priorities.

The LEFs have much more contact with the district staff than they do with individual schools and each of the interviewees reported having good relations with the district they serve. Relations with individual schools were not as consistent--one LEF representative mentioned having good relations with schools and regularly met with school principals and PTA presidents in the district. One of the other respondents noted having little contact with schools, although she hoped to have more in the future. One issue that came up in all three types of interviews was competition between each entity in terms of multiple people approaching the same potential donors.

Conclusion

Our findings are not consistent with what the popular press is reporting about LEFs. While it may be true that their number is growing, only one of the foundations we studied is currently playing a significant role, with one on the verge of being extremely important, and one having a limited role.[46] However the concept is very appealing to many--one of the remaining two districts in our sample is in the process of developing a foundation and the last district said it would like to start one but is worried that determining board membership would

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[46] The LEF that did not participate in our study has a limited role according to the district.

be too political.[47] LEFs may be a good metaphor for private giving more generally, the amounts they raise may not be large, but every additional dollar that comes into the schools through the LEFs is highly valued.

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[47] There are a couple of recent research efforts that looked at how to create and sustain education foundations. *Starting an Educational Foundation* (1994) was published by the California Consortium of Educational Foundations. A study by Useem (1999) examines the governance and operation of LEFs, the relationship between LEFs and districts, LEF strategies, core areas of their work, and conditions for promoting their effectiveness. Lastly, Muro (year) focuses on fundraising suggestions in *Creating and Funding Educational Foundations*.

E. CITES FOR MATRIX ITEMS

This appendix presents some cites for each item listed in the matrix. This is not a comprehensive list of cites for each item. For some items, multiple cites mentioned the item. For example, parents were listed as private givers in multiple sources. In those cases, we have selected a few cites to present here. After each item, the number refers to the cite number as listed following the table. Items that have "SV" came from the site visits, not the literature review.

Private Givers	School or District-Based Entity Channeling Private Resources	Mechanism to Attract Private Resources	Types of Private Giving	Use of Private Monetary Giving
Students 12 Parents 1, 4, 36 Local Business 2, 3, 6 Corporations 9, 15 *Philanthropic Foundations* 5, 21 Community-Based Organizations 21 Community Members 11, 31, 34 Professionals Associations SV Colleges/ Universities 9 Alumni SV City Government SV Advocacy Group SV	Local Education Foundation 11, 19, 13 Booster Club 20 PTA 14, 17, 19 PTO 21 School-Site/Leadership Council SV Other School-Based Clubs/Associations 20 Principal SV District Staff SV Superintendent SV Advisory Board SV	Product Sales 14 Special Events SV Grant Applications 31, 20 Mail Solicitation 20, 21 Phone Solicitation 20, 21 *Personal Contacts/ Relationship Building* SV Professional Fundraiser 19, 23 Leasing of School Facilities SV Participation in Scrip or Website Programs 2, 20 School-	IN-KIND: *Volunteer Time:* Student Instruction SV Student Tutoring 1 Student Mentoring SV Classroom Support 4, 17 Student Support Services SV Enrichment Programs SV Family Services SV Staff Training SV School Facilities 5, 7 Administrative SV	*Current Operations:* Professional Development 19, 18 Classroom Teachers ?? Teacher Aides 20, 21 Salary enhancement or stipends for existing teachers 19 Other Staff Salaries 19, 31 Instructional Materials 19, 19 School Supplies/ Equipment 19, 21 Curricular Enrichment Programs 14, 34 Athletics 15 Student Transportation 20 School Maintenance

SV Federal Agency SV		Business Partnerships SV K-12 – Higher Education Partnerships ?? Local and National Presentations SV Local Newspaper Advertising SV High Profile Speakers/Hosts SV Link with City Planning SV Peer Pressure SV	School Promotion SV After-School Programs SV *Material Donations:* Instructional Materials SV Technology 9, 21 School Supplies/ Equipment SV Student/ Family Supplies SV Off-Site Facilities for Events SV Food SV Awards/ Gift Certificates SV MONETARY: Donation 31 Membership Dues SV Percentage of Sales 2, 14 Wills/ Bequests SV Scholarships SV Paid Endorsements/ Advertising Revenue 15 User Fees SV Leasing of Facilities and Services SV	19, 20 Student Supplies 17 Promotion of School/ Business Partnerships 21 Parent Education Programs SV Health Clinics SV Early Childhood Education SV Special Events SV *Technology*: Computers/Software 2, 9, 13 *Capital Improvements:* Building Additions 3, 21 Building Enhancement 21 School Beautification 2, 20 Heating/air conditioning SV Sports Facilities 20 Playground Equipment 2 Electrical Wiring 9 Furniture SV

SV.   Categories derived from site visits.

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